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FAITH, HOPE AND CONFIDENCE

An air of pessimism and gloom settled over military circles on 24 May 1949 when the House, by a roll call vote, sent the Service Pay Bill back to the Armed Services Committee.

Your Association, however, took heart in the thought that it is easy for anyone to have confidence in times of victory, but the test is to have faith when things go wrong and when things happen which cannot be explained readily.

Since our efforts in behalf of that proposed legislation were forceful, vigorous and straightforward, and its merits were carefully evaluated, we did not subscribe to the manner of depression experienced and expressed by many.

We had faith and hope that Congressional leaders, as well as those who supported its long-awaited provisions, recognized the necessity and importance of the measure from the standpoint of an efficient and effective National Defense. Moreover, we had confidence in the statesmanship of those leaders and in their ability to work out a satisfactory compromise that would assure passage.

Tribute is paid Chairman Vinson of the House Armed Services Committee, Chairman Kilday of the Sub-committee and others who, in the face of tremendous opposition, refused to accept defeat. An observer likened their courageous and determined stand at that time to the fighting spirit exemplified by Americans, generally after the infamous attack on Pearl Harbor. America was not crushed as a result of any single blow. Nor were Chairman Vinson and his able executive, Chairman Kilday, inclined to yield to any surrender terms, when even the normally conservative press carried such headlines as: "MILITARY PAY BILL KILLED BY HOUSE VOTE." Undaunted, they made it clear that their committee was by no means ready to quit the fight. They gave rise to a high hope that the pay bill would be back on the floor of the House and that it would pass.

Doubts to the contrary were dispelled 15 June 1949 when the measure passed the House by an overwhelming voice vote, thus paving the way for the action taken by Senator Tydings' Armed Services Committee in the Senate.

SIGNS OF THE TIME

A great many Americans are alarmed today because there are so many signs of disorder throughout the world. On the home front we are continually confronted with labor difficulties; shortages of materials; little, if any, relief from high living costs; and a general economic "tightening up". Similarly, the international situation presents a none too rosy picture.

The whole world seems to be suffering from a complication of many illnesses and in urgent need of specialized medical attention.

Naturally, we do not presume to qualify as a Doc "Cure-all", but we are ever alert to provide comfort to our members and extend to them a measure of relief from their mental anxieties.

Of course, we are living in a fast age. Pretty soon people will be jumping into newfangled planes which cruise through the air at such speeds that destination, however distant, will be reached in no time at all. Our children take all these modern push-button improvements, scientific miracles, and the so-called ease of modern living for granted.

Perhaps those of us who still feel the need to experience the primitive, enjoy the wonders of simple things and get a thrill of kinship with the natural forces of the world, are out-moded. But, that is a moot question. We have watched a man who tried to do today's job, yesterday. But, alas, that eager fellow has long since been laid away to his final rest.

It is our belief that more can be accomplished through the logic and reasoning which comes from the calmer, realistic approach. Too much emphasis can be placed on "getting ahead" rather than seeking a means of finding happiness and peace of mind in the turmoil of this modern existence.

By following that course and by giving careful and studied analysis to the day-to-day problems of retired officers, we gain our richest rewards.

Our Association is not a political pressure group. It does, however, stand firmly behind the things it advocates, in the conviction that those things are just, right and deserving. It has been said that the man who is right is hard to beat and, by adhering to that principle, successes will be many; failures will be few. There is no magic in that philosophy, it is just plain common sense.

Recently we were asked to name a single accomplishment of the Association for the benefit of a prospective member before he would join. In characteristic modesty, we answered that question.

The Association's efforts are not what might be termed sensational. We do not strive for the unreasonable. Ours is a studious, thoughtful and hard working organization, set up to do a good job for those whom we represent. We recognize the sterling virtue of patience and are ever mindful, that, even today, the world is divided by fundamental differences, which allow no swift, no cheap, no easy solution. We shrink from the disillusionment which comes from expecting too much, too easily, too soon.

Primarily our aim is to afford high value, intelligent and carefully planned protection to those interests and benefits which stem from retired status—at low cost—and that, we believe, is a real bargain in security.

Because there was no bridge, people living on either side of a wide river didn't know each other. They had no way to trade happiness or help or friendship. Each was the poorer since no highway lay between them.

One day a bridge builder came and constructed a solid and lasting span. Soon the people on the far side and those on the near became one people. Across the bridge moved friendship, understanding and a healthy, constructive exchange of ideas. Ours is that type of bridge which spans the gap between active duty and retired status.

THE PROPOSED NEW PAY ACT AS IT AFFECTS THE RETIRED OFFICER

SPECIAL NOTICE

The following article with respect to the manner in which the Career Compensation Act of 1949 proposes to affect retired officers, and other items relating thereto, were prepared on the supposition that it would have passed the Senate prior to our publication deadline.

However, as we go to press on 29 August 1949 the measure has not received Senate action, although it still holds a prominent place on the Senate calendar and Sen. Lucas (Majority Leader) has given the assurance the matter will come up for vote this session of Congress. We believe it will become law.

Accordingly, we print those portions of the subject legislation of particular interest to our members which appear likely to be enacted.

Insofar as retired officers are concerned, the Career Compensation Act of 1949 will either provide increased pay for those retired prior to its effective date, 1 October 1949, or it will protect them in their present compensation by saving clauses.

Whether or not a particular retired officer will be entitled to an increase in his retired pay under the proposed Act, depends upon one or more of the following factors: (1) the new pay rates; (2) his length of service; (3) if retired for physical disability, the degree of his disability at the time of his retirement; and (4) if retired for physical disability, the income tax exclusion to which he is entitled.

The new rates of pay and the keys with which to enter the tables are as follows:

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service: Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-8	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$926.25	$954.75
O-7	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	769.50	798.00	826.50
O-6	570.00	570.00	570.00	570.00	570.00	570.00	570.00	570.00	584.25	612.75	641.25	669.75	698.25
O-5	456.00	456.00	456.00	456.00	456.00	456.00	470.25	484.50	498.75	527.25	555.75	584.25	584.25
O-4	384.75	384.75	384.75	384.75	399.00	413.25	427.50	441.75	456.00	484.50	498.75	513.00	513.00
O-3	313.50	313.50	327.75	342.00	356.25	370.50	384.75	399.00	413.25	427.50	441.75	441.75	441.75
O-2	249.38	263.63	277.88	292.13	306.38	320.63	334.88	349.13	349.13	349.13	349.13	349.13	349.13
O-1	213.75	228.00	242.25	256.50	270.75	285.00	299.25	313.50	313.50	313.50	313.50	313.50	313.50

WARRANT OFFICERS

W-3	$320.10	$320.10	$320.10	$334.65	$349.20	$363.75	$378.30	$392.85	$407.40	$421.95	$436.50	$451.05	$465.60
W-3	291.00	291.00	291.00	298.28	305.55	312.83	320.10	327.38	334.65	349.20	363.75	378.30	392.85
W-2	254.63	254.63	254.63	254.63	261.90	269.18	276.45	283.73	291.00	305.55	320.10	334.65	349.20
W-1	210.98	210.98	210.98	218.25	225.53	232.80	240.08	247.35	254.63	269.18	283.73	298.28	298.28

Pay Grade	Army, Air Force, and Marine Corps	Navy, Coast Guard, and Coast and Geodetic Survey	Public Health Service
O-8	General, lieutenant general, major general.	Admiral, vice admiral, and rear admiral (upper half).	Surgeon general, deputy surgeon general, and assistant surgeon general having rank of major general.
O-7	Brigadier general	Rear admiral (lower half) and commodore.	Assistant surgeon general having rank of brigadier general.
O-6	Colonel	Captain	Director grade.
O-5	Lieutenant colonel	Commander	Senior grade.
O-4	Major	Lieutenant commander	Full grade.
O-3	Captain	Lieutenant	Senior assistant grade.
O-2	First lieutenant	Lieutenant (junior grade)	Assistant grade.
O-1	Second lieutenant	Ensign	Junior assistant grade.

Warrant officers, active and retired, are to be distributed among the classifications (W-1 to W-4) in accordance with regulations to be issued by the Secretaries concerned.

The following sections of the Act are those which will directly affect retired officers:

MEMBERS OR FORMER MEMBERS HERETOFORE RETIRED FOR PHYSICAL DISABILITY

Sec. 411. Pursuant to such regulations as the President may prescribe, (1) any member or former member of the uniformed services heretofore retired by reason of physical disability and now receiving or entitled to receive retired or retirement pay; (2) any former member of the uniformed services heretofore granted or entitled to receive retirement pay for physical disability; (3) any member of the Army Nurse Corps or any person entitled to the rights, privileges, and benefits of members of the Army Nurse Corps, retired for disability under the Act of June 20, 1930 (46 Stat. 790), as amended ;and (4) any member of the Navy Nurse Corps, or any person entitled to the rights, privileges, and benefits

of members of the Navy Nurse Corps, retired for disability prior to December 23, 1942, under the Act of June 20, 1930 (46 Stat. 790), as amended, may elect within the five-year period following the effective date of this title, (A) to qualify for disability retirement pay under the provisions of this Act and, dependent on his qualification, shall be entitled to receive either the disability retirement pay or the disability severance pay prescribed in this title: Provided, That the determination of the percentage of disability as prescribed in sections 402(a)(3), 402(b)(3), or 402(c)(3), as applicable, shall be based upon the disability of such member, former member, or person, as of the time he was last retired or as of the time he was granted retirement pay, as the case may be, and the percentage of such disability will be determined in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration; or (B) to receive retired pay or retirement pay computed by one of the two methods contained in section 511 of this Act: Provided further, That the retired or retirement pay of each person referred to in (3) and (4) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned officer rank or grade authorized for such persons by the Act of May 7, 1948 (Public Law 517, Eightieth Congress).

TEMPORARY DISABILITY RETIREMENT, PHYSICAL DISABILITY RETIREMENT, AND DISABILITY RETIREMENT PAY

Sec. 402. * * *

(d) A member of the uniformed services whose name is placed upon the temporary disability retired list of his service pursuant to subsections (a), (b), or (c) of this section, for the period during which his name is carried on such temporary disability retired list, but in no event to exceed a period of five years, or a member of the uniformed services who is retired pursuant to the provisions of this title, shall be entitled to receive disability retirement pay computed, at his election, by multiplying an amount equal to the monthly basic pay of the rank, grade, or rating held by him at the time of the placement of his name on the temporary disability retired list or at the time of his retirement, whichever is earlier, by (1) a number equal to the number of years of active service to which such member is entitled under the provisions of section 412 of this title, multiplied by 2½ per centum, or (2) the percentage of his physical disability as of the time his name was placed on the temporary disability retired list or at the time of retirement, whichever is earlier: Provided, That for the purpose of the computation of (1) above, fractions of one-half year or more of active service shall be counted as a whole year: Provided further, That the disability retirement pay of any such member who shall have held a temporary rank, grade, or rating higher than the rank, grade, or rating held by him at the time of placement of his name upon the temporary disability retired list or at the time of his retirement, whichever is earlier, and who shall have served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, shall be computed on the basis of the monthly basic pay of such higher rank, grade, or rating to which he would have been entitled had he been serving on active duty in such higher rank, grade, or rating at the time of placement of his name on the temporary disability retired list or at the time of retirement, whichever is earlier: Provided further, That in no case shall such disability retirement pay exceed 75 per centum of the basic pay upon which the computation is based: Provided further, That the disability retirement pay of any member whose name is carried on the temporary disability retired list shall, for so long as his name is carried on such list, be not less than 50 per centum of the basic pay upon which the computation is based: Provided further, That if the physical disability entitling such member to disability retirement pay is found to exist as a result of a physical examination given in connection with effecting a permanent promotion or a temporary promotion where eligibility for such temporary promotion was required to have been based upon cumulative years of service or years of service in rank, grade, or rating, the disability retirement pay of such member shall be based upon the basic pay of the rank, grade, or rating to which such member would have been promoted but for such disability, if such rank, grade, or rating is higher than any other rank, grade, or rating upon which such pay is herein authorized to be computed and which such member would have been entitled to receive if serving on active duty in such rank, grade, or rating: And provided further, That for any member who, for any reason, has been or hereafter may be retired or whose name is carried on a temporary disability retired list and who, while in such status, serves on active duty, and while serving, incurs a physical disability of 30 per centum or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration or incurs a physical disability in addition to or an aggravation of the physcal disability for which he was retired or for which his name was placed on the temporary disability retired list, shall, if qualified therefor pursuant to this title ,be entitled, on his return to a retired status or to the temporary disability retired list, to receive either (1) disabiliy retirement pay as provided in this section, using as multipliers the highest percentages and basic pay which he attained while serving on such active duty, or (2) retirement pay or retired pay, as the case may be, as provided by any law in effect at the time of his retirement; and ,in addition thereto, if such member is, during such period of active duty, promoted to a rank, grade, or rating higher than that rank, grade, or rating on which his retired pay, retirement pay, or disability retirement pay was based, and has served satisfactorily in such higher rank, grade, or rating as determined by the Secretary concerned, be entitled, on his return to a retired status or to the temporary disability retired list, to receive such retirement pay, disability retirement pay, or retired pay computed on the basis of the higher rank, grade, or rating and which such member would be entitled to receive if serving on active duty in such higher rank, grade, or rating.

* * *

(h) That part of the disability retirement pay computed on the basis of years of active service which is in excess of the disability retirement pay that a member would receive if such disability pay were computed on the basis of percentage of disability shall not be deemed to be a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed service in the armed forces of any country within the meaning of section 22(b)(5) of the Internal Revenue Code, as amended.

RETIRED AND RETAINER PAY OF MEMBERS ON RETIRED LISTS OR RECEIVING RETAINER PAY

Sec. 511. On and after the effective date of this section (1) members of the uniformed services heretofore retired for reasons other than for physical disability, (2) members heretofore transferred to the Fleet Reserve or the Fleet Marine Corps Reserve, and (3) members of the Army Nurse Corps or the Navy Nurse Corps heretofore retired under the Act of May 13, 1926 (44 Stat. 513), shall be entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay, in the amount whichever is the greater, computed by one of the following methods: (a) The monthly retired pay, retainer pay, or equivalent pay in the amount authorized for such members and former members by provisions of law in effect on the day immediately preceding the date of enactment of this Act, or (b) monthly retired pay, retirement pay, retainer pay, or equivalent pay equal to 2½ per centum of the monthly basic pay of the highest federally recognized rank, grade, or rating, whether under a permanent or temporary appointment, satisfactorily held, by such member

or former member, as determined by the Secretary concerned, and which such member, former member, or person would be entitled to receive if serving on active duty in such rank, grade, or rating, multiplied by the number of years of active service creditable to him: Provided, That for the purpose of the computation of (b) above, fractions of one-half year or more of active service shall be counted as a whole year: Provided further, That in no case shall such retired pay, retainer pay, or equivalent pay exceed 75 per centum of the monthly basic pay upon which the computation is based: Provided further, That for the purposes of this section, the term "active service" as used herein shall mean all service as a member or as a former member of the uniformed services, or as a nurse, or as a contract nurse prior to February 2, 1901, or as a reserve nurse subsequent to February 2, 1901, or as a contract surgeon, or as a contract dental surgeon, or as an acting dental surgeon, or as a veterinarian in the Quartermaster Department, Cavalry, or Field Artillery, or as an Army field clerk or as a field clerk, Army Quartermaster Corps, while on the active list or on active duty or while participating in full-time training or other full-time duty provided for or authorized in the National Defense Act, as amended, the Naval Reserve Act of 1938, as amended. or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 5, 81, 92, 94, 97, and 99 of the National Defense Act, as amended, and in the case of commissioned officers of the Public Health Service, that service which is ceditable pursuant to part (3) of section 412 of this Act: Provided further, That the retired or retirement pay of each member referred to in (3) above shall, unless a higher rank or grade is authorized by any provision of law, be based upon the commissioned-officer grade authorized for such member by the Act of May 7, 1948 (Public Law 517, Eightieth Congress): Provided further, That (a) enlisted persons or former enlisted persons of the Regular Army or Regular Air Force who have been transferred prior to the effective date of this section to the Enlisted Reserve Corps or to the enlisted section of the Air Force Reserve and placed on the retired list of the Regular Army or the Regular Air Force, respectively, under the provisions of section 4 of the Act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 948), as amended, and (b) enlisted persons or former enlisted persons of the Regular Navy or Regular Marine Corps who have been transferred prior to the effective date of this section to the Fleet Reserve or the Fleet Marine Corps Reserve under the provisions of title II of the Naval Reserve Act of 1938, as amended, shall not be entitled to have their retired pay or retainer pay computed on the basis of the highest officer or warrant-officer grade held by them as authorized by this section until they have completed thirty years of service, to include the sum of their active service and their service on the retired list or in the Fleet Reserve or in the Fleet Marine Corps Reserve, as required by existing law: And provided further, That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within one year from the effective date of this section or within one year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED PAY OF MEMBERS AND FORMER MEMBERS OF RESERVE COMPONENTS

Sec. 512. On and after the effective date of this section, any person who heretofore has been granted retired pay or who hereafter is granted retired pay pursuant to title III of the Act of June 29, 1948 (ch. 708, 62 Stat. 1087), shall have his retired pay computed as authorized by the aforesaid title III on the basis of the pay provided for in this Act: Provided, That, notwithstanding the provisions of section 305 of the Act of June 29, 1948 (62 Stat. 1089), any member or former member of the Naval Reserve or Marine Corps Reserve heretofore placed on the Honorary Retired List of the Naval Reserve or Marine Corps Reserve with pay as provided in sections 309 and 310 of the Naval Reserve Act of 1938 (52 Stat. 1183; 34 U. S. C. 855h, i), as amended, shall be entitled to have such pay computed as provided in this section.

RETIRED PAY GRADE OF CERTAIN WARRANT OFFICERS AND ENLISTED PERSONS

Sec. 513. Any enlisted person or warrant officer of the uniformed services who served in Warld War I, heretofore or hereafter retired for any reason, shall (1) be advanced on the retired list of the service concerned to the highest federally recognized officer rank or grade satisfactorily held by such enlisted person or warrant officer under a permanent or temporary appointment for any period of service between April 6, 1917, and November 11, 1918, and (2) if not entitled to receive retired pay or disability retirement pay based on a higher officer rank or grade by some other provision of law, be entitled to receive retired pay or disability retirement pay computed on the basis of the officer rank or grade to which previously advanced on a retired list or computed on the basis of the officer grade or rank authorized by this section Provided, That enlisted persons and warrant officers of the uniformed services, heretofore or hereafter advanced on the retired list to a higher officer rank or grade pursuant to any provision of law shall, if application therefor is made to the Secretary concerned within one year from the effective date of this section or within one year after the date of advancement on the retired list, whichever is the later, and subject to the approval of the Secretary concerned, be restored to their former retired enlisted or warrant-officer status, as the case may be, and shall thereafter be deemed to be enlisted or warrant-officer personnel, as appropriate, for all purposes, including the computation of their retired pay based on such enlisted or warrant-officer rank, grade, or rating, as the case may be.

RETIRED MEMBERS AND FORMER MEMBERS SERVING ON ACTIVE DUTY

Sec. 514. Retired members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall, when serving on active duty, be entitled to receive the pay and allowances to which entitled by the provisions of this Act for the grade or rank in which they are serving on such active duty, and shall, when on such active-duty status, have the same pay and allowance rights while on leave of absence or while sick as members of the uniformed services entitled to receive basic pay of similar grade or rank, and, if death occurs when on active-duty status, while on leave of absence, or while sick, their dependents shall not thereby be deprived of any of the benefits provided in the Act of December 17, 1919 (41 Stat. 367; 10 U. S. C. 903), as amended, and in the Act of June 4, 1920 (41 Stat. 824; 34 U. S. C. 943), as amended.

PROVISIONS RELATING TO INCREASE OF RETIRED PAY BY ACTIVE DUTY

Sec. 516. Members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, who have been, or may hereafter be, retired or transferred to the Fleet Reserve or Fleet Marine Corps Reserve and entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay computed

under the provisions of this or any other Act, shall be entitled, subject to the provisions hereinafter listed, to receive increases in such retired pay, retirement pay, retainer pay, or equivalent pay for all active duty performed after retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve: Provided, That the retired pay, retirement pay, retainer pay, or equivalent pay to which such member or former member shall be entitled upon his release from active duty shall be computed by multiplying the years of service creditable to him for purposes of computing retired pay, retirement pay, retainer pay, or equivalent pay at the time of his retirement or transfer plus the number of years of subsequent active duty performed by him by 2½ per centum, and by multiplying the product thus obtained by the base and longevity pay or the basic pay, as the case may be, of the rank or grade in which he would be eligible, at the time of his release from active duty, to be retired or transferred except for the fact that he is already a retired person or a member of the Fleet Reserve or Fleet Marine Corps Reserve: Provided, That for the purpose of computing increases in retired pay, retirement pay, retainer pay, or equivalent pay of any member or former member, fractions of one-half year or more of active duty performed subsequent to retirement or transfer by such member or former member shall be counted as a whole year: Provided further, That in the case of an officer heretofore retired with pay computed at a rate of either 3 or 4 per centum as the multiplier for each year of service allowed in the computation of the retired pay, active duty performed subsequent to the effective date of this section shall not increase the retired or retirement pay for such officer upon his return to retired status unless such officer elects to have his retired or retirement pay computed by one of the two methods provided in section 511 of this Act, subject to the limitations imposed therein: And provided further, That in no event shall retired pay, retirement pay, retainer pay, or equivalent pay exceed 75 per centum of the active-duty pay or basic pay which such person would be entitled to receive if he were serving on active duty in the rank or grade which is the basis for the computation of his retired pay, retirement pay, retainer pay, or equivalent pay.

SAVING PROVISION RELATING TO FORMER LIGHTHOUSE SERVICE AND FORMER BUREAU OF MARINE INSPECTION PERSONNEL

Sec. 518. Nothing contained in this Act shall be construed to diminish any of the rights, benefits, and privileges authorized and conferred—

(1) by the Act of August 5, 1939 (53 Stat. 1216), as amended by the Act of June 24, 1948 (Public Law 761, Eightieth Congress), upon personnel of the former Lighthouse Service; and

(2) by the Act of July 23, 1947 (61 Stat. 411), for personnel of the categories described in sections 3 (6), 5 (7), and 6 (5) of said Act,

who were commissioned, appointed, or enlisted in the regular Coast Guard pursuant to said Acts of August 5, 1939, and July 23, 1947, respectively.

SAVING PROVISION RELATING TO MEMBERS AND FORMER MEMBERS RECEIVING RETIREMENT PAY ON DATE OF ENACTMENT OF THIS ACT

Sec. 519. Any member or former member of the uniformed services or any person entitled to the rights, benefits, and privileges of a member or former member of the uniformed services, including any person entitled to the benefits provided in the Act of May 7, 1948 (62 Stat. 211), who on the date of enactment of this Act, is receiving or is entitled to receive retired or retirement pay pursuant to any provision of law, shall, notwithstanding the provisions of this Act, be entitled to continue to receive or shall continue his entitlement to receive that retired or retirement pay which such member or former member is entitled to receive under any provision of law in effect on the day preceding date of enactment of this Act.

SAVING PROVISION RELATING TO LAWS PROVIDING FOR PAY REPEALED BY THIS ACT

Sec. 520. Any provision of law which, on the date of enactment of this Act, entitles any person to be retired, to receive pay, retired pay, retirement pay, or retainer pay, or other monetary benefit, and which is directly repealed, impliedly repealed, or amended by the provisions of this Act, shall, if the entitlement of such person to such retirement, pay, retired pay, retirement pay, retainer pay, or other monetary benefits is saved by the provisions of this Act, be continued in full force and effect for such entitlement and for such a time as such entitlement may exist.

PROVISIONS RELATING TO RETIREMENT OF OFFICERS SPECIALLY COMMENDED FOR PERFORMANCE OF DUTY IN COMBAT

Sec. 522. (a) Section 412 (a) of the Officer Personnel Act of 1917 is hereby amended by deleting the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement" as they appear in lines 8 and 9 of the said section on page 874, volume 61, Statutes at Large.

(b) The Act of June 6, 1942 (ch. 383, 56 Stat. 328; 14 U. S. C. 174a; 33 U. S. C. 864e), is hereby amended by striking out the words "and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement." and by inserting in lieu thereof the words ":**Provided**, That the provisions of this Act shall not apply in the case of any officer who has been so commended if the act or service justifying the commendation was performed after December 31, 1946.".

(c) Nothing contained insubsections (a) and (b) of this section shall be held to reduce the retired pay of any officer placed on a retired list prior to the effective date of this section, nor shall the provisions of section 412 (a) of the Officer Personnel Act of 1947, as amended by subsection (a) of this section, or the Act of June 6, 1942 (ch. 383, 56 Stat. 328), as amended by subsection (b) of this section, be construed as granting any increased retired pay to any person by virtue of the higher grade or rank to which such person is or may become entitled to pursuant to such provisions of law. (End of quoted sections)

Careful reading of the above sections will disclose the rights and benefits extended to retired officers by the Act.

The procedures under which those benefits are to become available will depend upon regulations to be issued by the President or the Secretaries concerned following enactment. as required in the Act. By those regulations retired officers will be appropriately informed as how to proceed. Official inquiries and requests to qualify for increases in retired pay, changes in status, or for information, should be withheld until those regulations are promulgated.

Officers retired for disability prior to 1 October 1949 have three options: (1) they may retain their former retired pay with the allowable income tax exclusion (sec. 519); (2) they may qualify for retired pay for physical disability under the new rates, based upon the degre of disability under the standards applied by the Veterans Administration (sec. 411). Such retired pay would be excluded from gross income for income tax purposes, under applicable tax laws; or (3) they may receive retired pay computed on the basis of 2½% for each year of active service (not to exceed 75%) multiplied by the new rates (sec.411, 402d, 511). In this latter case that part of the pay in excess of the disability retirement pay which they would receive, if computed on the basis of percentage of disability, would not be deemed a pension, annuity or similar allowance under the tax laws (sec. 402h). In other words, the excess would be taxable.

Determinations as to the degree of physical disability in each case will be made by the department under which an

individual holds retired status. Nothing in the Act requires a physical examination of any officer formerly retired. Moreover, the Act neither provides nor permits re-examinations of retired officers for the intended purpose of restoration to active duty. Officers retired before the effective date on the Act, 1 October 1949, are not eligible for placement on the temporary disability retired lists, the latter being applicable only to those retired after 1 October 1949.

Officers retired for reasons other than physical disability are provided two options: (1) they may retain their present pay (sec. 519); or (2) they may qualify under the new rates (sec. 511), in accordance with the method of computation therein provided, which is the same as that now in effect.

All computations of retired pay under the Act are on the basis of the highest rank in which an individual has served satisfactorily at any time (sec. 411, 511, 513).

It will be noted in sec. 522 that the Act terminates the opportunity of using 75% as a multiple in the computation of retired pay as the result of combat citations. Similarly, the Act does not authorize computation of retired pay by those with less than 30 years service and retired for reasons other than physical disability at 75% of their active duty pay upon premature retirement, even though they had service in World War I. Our Association and others recommended that those opportunities be carried over into the Act, but those recommendations did not receive favorable consideration.

The proposed new Act, while failing to include some of the features considered desirable in the best interests of retired officers, nonetheless does constitute an important step in the right direction and in the best interests of national defense.

Note: The portions of the Act above listed are those contained in the bill (H.R. 5700) as reported to the Senate Armed Services Committee. They differ slightly from the provisions of the bill as passed by the House. Since, however, leaders in the House have indicated the Senate amendments are, for the most part acceptable, it would appear that the Act in its final form will, in all probability, follow the Senate version which we have reported.

ASSOCIATION'S PRESENTATION TO THE SENATE COMMITTEE ON ARMED SERVICES ON H.R. 5007

LETTER OF TRANSMITTAL

21 June 1949

Senator Millard E. Tydings, Chairman
Committee on Armed Services
United States Senate
Washington, D. C.

Dear Senator Tydings:

With further reference to the request of the Retired Officers Association, contained in my letter of 17 June 1949 to be permitted to appear and testify during the hearings on H.R. 5007, and in compliance with the announcement which was made yesterday that, in lieu of personal appearances, the Committee desires the submission of written statements, the enclosed statement of our Association, together with the additional comments contained in this letter, is submitted to the Committee for its consideration.

Our Association makes four recommendations which it urges the Committee to adopt, as follows:

(1) that H.R. 5007 be enacted without the inclusion of provisions relating to involuntary and voluntary retirement;

(2) that section 202(a)(1) of the bill be amended to extend credit for the services performed by cadets, midshipmen, aviation cadets and flying cadets;

(3) that section 201(a) of the bill be amended to provide further extension of within-grade longevity increases in the four lower commissioned ranks;

(4) that section 201(c) of the bill be amended to insure the extension of benefits to warrant officers retired prior to the effective date of any new law.

The enclosed statement deals only with the three latter of our recommendations because the statement was prepared prior to 20 June 1949, upon which date the advisability of including the provisions relating to involuntary and voluntary retirement was discussed in the hearings before the Committee. It is, therefore, our desire in this letter to set forth our views in opposition to the inclusion of such provisions, rather than to attempt to revise our basic statement, and at the same time to set forth briefly herein the bases of our other recommendations.

First, we oppose the inclusion of provisions relating to involuntary and voluntary retirement in the pending legislation for the following reasons:

(1) Existing laws governing involuntary and voluntary retirement are closely interwoven with the various laws and should not be modified without consideration of the effect upon existing promotion systems.

(2) Existing laws relating to promotion and retirement, including involuntary and voluntary retirement, were revised and consolidated during the 80th Congress and are now included in the Officer Personnel Act of 1947.

(3) Existing laws, relating to involuntary and voluntary retirement apply differently as between the military services and have varying impact upon the promotion systems as between the services, particularly as between the Army and Air Force on the one hand and the Navy, Marine Corps and Coast Guard on the other.

(4) Involuntary and voluntary retirement provisions would be influenced by, and would have an influence upon, a contributory retirement system, with or without survivor benefits, which it was announced on the floor of the House by the Chairman of the House Committee on Armed Services would be the subject of study during the present Congress.

(5) In view of the circumstances outlined in (1), (2), (3) and (4) above, the House concluded that the subject of involuntary and voluntary retirement was too vast and potentially too far-reaching in its effect to be included in the pending legislation.

(6) Existing laws relating to involuntary and voluntary retirement have evolved over the years for the best personnel administration of the services to which they relate and have been established basically for the efficiency and benefit of the services rather than to provide benefits to the individuals who may be retired under them. They have been consistently used to stimulate promotion by providing attrition for that purpose.

(7) The voluntary retirement laws are not, in fact, voluntary but only permit application for retirement, the acceptance of which, except after 40 years of service, is entirely within the discretion of the secretary concerned. More properly called, these retirements should be referred to as retirements in accordance with the application of the individuals. They present no real problem since they are relatively few in number, there having been less than 1,000 in all of the services since 1939, in the cases of more than two-thirds of which the individuals had more

than 25 years of service. Furthermore, the discretion appears now to be seldom exercised in favor of approving such retirements; for example, it so exercised only in exceptional cases in the Army, as testified to by General Bradley.

(8) Those retired under the involuntary and voluntary retirement laws are not severed from the services, as thought by some. Those so retired continue to be officers of the services, are subject to recall to active duty in emergencies, and are invariably the first called, usually during the earliest stages of gathering emergencies.

(9) While some of the retirements under consideration may appear to be unduly early in careers, in so far as they occur, they take place in middle or later life at times when the individuals have families and responsibilities and are for the most part generally unemployable. Contrary to opinions sometimes expressed that large numbers of military officers after long experience seek early retirement to accept high positions in business and industry, this situation exists in the very rarest cases and is decidedly the exception and not the rule. Retired officers are generally unemployable due to their advanced ages upon retirement and more particularly in view of the fact that they have been unable to acquire experience essential to success in commercial enterprise.

(10) Large numbers of officers entered the services in reliance upon the existing protections afforded by the present involuntary and voluntary retirement laws. This is particularly so with reference to the recent integration program of large numbers of reserve officers into the regular services. Whether or not the existing laws are to be applied in their cases, now to diminish the opportunities afforded would have a serious detrimental impact upon morale.

For the above mentioned reasons our Association wishes very earnestly to express to the Committee its deep conviction that to amend the present bill by changing the existing laws concerning involuntary and voluntary retirement in the military services would be fraught with serious and detrimental consequences to morale and would produce an effect exactly opposite to that which the proposed legislation aims to accomplish—namely, an improvement in the morale of our uniformed forces at a time when, as never before in our history, they must be maintained at their highest efficiency.

With regard to our second recommendation that section 202(a)(1) of the bill be amended to extend credit for the services performed by cadets, midshipmen, aviation cadets and flying cadets, it is our desire to bring to the attention of the Committee that the service to which reference is made is full-time, active, military service and those who perform it are fully subject to military discipline and the requirements of military duties. Such service is and always has been recognized legislatively, administratively and judicially to be full-time federal military service, except that since 1912 by specific legislation the service has not been credited for pay and longevity purposes. Since that time, and particularly since the enactment of the Pay Readjustment Act of 1942, all other types of service, regular and reserve, active and inactive, have been credited for pay and longevity purposes. The proposed legislation before the Committee in H.R. 5007 would likewise, in section 202, extend credit to all such service, but as presently written, it does not include provision to credit the services performed by cadets, midshipmen aviation cadets and flying cadets. This situation has created, and the bill before the Committee as written would perpetuate, a discrimination against cadets, midshipmen, aviation cadets and flying cadets, the removal of which will go far toward encouraging those who perform these services to continue in the military profession. This is especially important at this time when so many of those trained in our service academies are resigning from the military services. During the last Congress a bill, S. 657, introduced by Senator Gurney, was passed by the Senate, favorably reported by the House Committee on Armed Services, but failed of passage due to the fact that it could not be considered by the House during the closing days of the 80th Congress. A bill for the purpose of crediting this service, S. 631, was introduced by Senator Tydings on 24 January 1949 and is now pending before the Committee. Our attached statement and brief on this subject cover the matter in detail. It is confidently felt by our Association that a full consideration of this subject will result in a determination by the Committee to include provision for the crediting of the service in question.

The third recommendation, which deals with the matter of further extension of within-grade longevity increases in the four lower commissioned ranks, is based upon the conviction that new pay scales should provide incentive for enlisted personnel to seek commissioned status. It is felt that this incentive will not exist unless the pay rates in the four lower grades provide for within-grade longevity increases in pay. Our specific proposal in this respect is contained in the attached statement for the consideration of the Committee.

Our fourth recommendation is made in view of our feeling that the present bill does not clearly indicate that warrant officers retired prior to the effective date of any new law are to be classified by the secretary concerned in each case for the purpose of adjusting their retired pay to the new rates to be provided. All other retired personnel have the opportunity of qualifying for the new rates in accordance with the general provisions contained in the bill. However, warrant officers on the active lists are to be distributed among the pay rates provided in section 202 for warrant officers by the secretaries concerned and it is our feeling that the bill should clearly indicate that warrant officers retired prior to the effective date are likewise to be so classified. Our specific proposal on this subject is contained in the attached statement.

While it was our desire to appear personally and lay these matters before the Committee, our Association is pleased to comply with the Committee's request to submit our recommendations in writing, rather than to appear personally, and we are gratified to know that this statement will be read to the Committee in its consideration of the important legislation before it.

Sincerely yours,

H. G. HAMLET
Vice Admiral, USCG, Retired
President, Retired Officers Association

STATEMENT

I—Introduction

The Retired Officers Association, composed of retired commissioned officers and warrant officers, regular and reserve, male and female, of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey and Public Health Service, welcomes this opportunity to appear and desires at the outset, Mr. Chairman, to thank you for having permitted us to appear.

Our Association has followed with deep interest the consideration of this proposed legislation within the departments and agencies concerned, by the Hook Commission, and in the House of Representatives, particularly by the House Committee on Armed Services. The proposed legislation provides much needed increases in pay for the uniformed services—increases which have for a long time been necessary and which are now essential in the interest of national defense. Increases in pay are essential to improve morale and to reduce the loss of many well qualified officers through early voluntary retirement and, in the lower grades, to discourage resignations by highly trained young officers desperately needed to

maintain our military services at the highest possible state of morale, readiness and efficiency. Consequently, and because the vast amount of study which has been devoted to this subject has produced such excellent results in the form of H. R. 5007, now before the Committee, our Association heartily supports this legislation and strongly recommends its prompt enactment.

Our Association does have three comparatively minor suggestions which it urges the Committee to adopt and which it earnestly believes will substantially improve this legislation and further its intended purpose to attract and retain in the services the best types of personnel obtainable.

II—Extension of Credit for the Service of Cadets, Midshipmen, Aviation Cadets, and Flying Cadets

It is strongly recommended that credit be extended for the services of cadets, midshipmen, aviation cadets and flying cadets in order to remove a definite and well recognized existing discrimination. Under present laws, and as provided in Section 202 of the bill, all types of service, active and inactive, are credited for pay purposes, except the full-time active military service performed by cadets, midshipmen, aviation cadets and flying cadets. The adoption of our recommendation that this service be credited, we believe, would tend greatly to reduce the large numbers of resignations now being received from young officers who have received valuable military education and basic training to equip them for careers in our military services.

The clear discrimination can be, and should be, removed by adding the words "cadet, midshipman, aviation cadet, flying cadet" after the words "flight officer" in Section 202 (a) (1) of the bill and we strongly recommend such an amendment.

Attached hereto as Exhibit A, and submitted for the record with the request that it be printed in the hearings, is a brief covering the character of this service and the history of its recognition as full-time active military service legistatively, administratively and judicially, including decisions of the United States Supreme Court. This brief was prepared in connection with a previous measure, similar to the bill S. 631, introduced by Senator Tydings on January 24, 1949, now pending before this Committee, the purpose of which is to provide credit for the service in question.

The proposal that service as a cadet, midshipman, aviation cadet and flying cadet be credited, as are all other types of service, is not new. During the 80th Congress a bill, S. 657, introduced by the then Chairman of this Committee, Senator Gurney, received favorable consideration by the Committee and was passed by the Senate. It failed of passage in the House, after having been reported favorably by the House Committee on Armed Services, due to the shortness of time which remained during the last session of the 80th Congress. At that time the responsible departments and agencies of the Government favored the enactment of appropriate legislation to remove the presently existing discrimination. The Bureau of the Budget likewise approved such action. Official statements to that effect are contained in the hearings on S. 657 which were held before this Committee on March 5, 1948. Permit me to quote from the testimony of the official representatives who appeared and testified at that time.

Admiral Louis E. Denfeld, U.S.N., Chief of Naval Operations, said in part:

"During the past 2½ years, the Navy Department has made considerable progress in a concerted effort to remove any discriminations that have existed against various groups of its personnel. Both justice and a healthy state of morale require that the treatment of all personnel, as determined by the governing laws and regulations, be on a fair and equitable basis.

"The enactment of the bill S. 657 would represent an important step in this direction. It would remove an unwarranted discrimination that has existed since 1942 against a large portion of the commissioned officers of all the armed services. The officers affected are those who attained their commissions by successfully completing the required cadet or midshipman service, principally at the Military, Naval, and Coast Guard Academies.

"This bill would place those officers upon an equal basis for pay and retirement purposes with all other regular and reserve personnel. The Pay Readjustment Act of 1942 for the first time authorized that all types of service, including inactive service in any of the Reserve components would be given full credit in the computation of pay and longevity. The 1942 act excluded, however, the active service performed by cadets and midshipmen at the national academies.

"It may be said that such service should not be credited inasmuch as these young men are being trained at Government expense. This is inconsistent, however, with the fact that during the war thousands of other young men were educated by the Government under the college training programs, and are now entitled to full active-duty credit for that service during which time they were enrolled as members of the Reserve component.

"Inasmuch as existing law permits every other type of active and inactive service to be credited, I feel that an unhealthy situation is being created by excluding only that service performed by cadets and midshipmen who undergo vigorous training to become permanent officers in the Regular Military and Naval Establishments."

Rear Admiral John W. Roper, U.S.N., speaking on behalf of the Chief of Naval Personnel, said in part:

"Members of the various Reserve components had previously performed little or no active duty, and in many cases only small amounts of drill or training duty. Nevertheless, the 1942 act provided that mere membership in any of the Reserve components entitled them to the regular service credit of 5 percent increase for each 3 years of such service exactly as though they had performed continuous active duty.

"Thus all service performed in either an active or an inactive status on both active and Reserve components, prior to or subsequent to the enacting date, was thereafter to be credited for pay purposes—and in many cases for retirement purposes as well.

"These authorized components are shown below as listed in the Pay Readjustment Act of 1942, as amended.

(1) Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service.
(2) Regular Army Reserve.
(3) Medical Reserve Corps of the Navy.
(4) Dental Reserve Corps of the Navy.
(5) Organized Militia prior to July 1, 1916.
(6) National Guard.
(7) National Guard Reserve.
(8) National Guard of the United States.
(9) Enlisted Reserve Corps.
(10) Naval Militia.
(11) National Naval Volunteers.
(12) Naval Reserve Force.
(13) Naval Reserve.
(14) Marine Corps Reserve Force.
(15) Marine Corps Reserve.
(16) Coast Guard Reserve.
(17) Reserve Corps of the Public Health Service.
(18) Philippine Scouts.
(19) Philippine Constabulary.
(20) Coast and Geodetic Survey as authorized by section 2 (b) of the Act of January 19, 1942 (56 Stat. 6).

"It has been a long established principle of law and of repeated decisions of the courts that midshipmen and cadets are members of the Regular Naval and Military Establishments, and that they perform active service, as such.

"By law, they are subject to the Articles for the Government of the Navy or the Articles of War, as the case may be. They are completely subject to all orders from proper authority for duty in such places and on such service as the President may direct, and may be tried by general court martial. The fact that they are being trained at Government expense for naval and military service has never altered their active duty status.

"All commissioned and enlisted personnel throughout their entire careers undergo varying periods of training at Government expense without being deprived of the right to count such service in the computation of their pay.

"During the war, many thousands of young men were enrolled in the various college training programs, and thus received their education at Government expense. The fact that they were so enrolled as members of the Reserve components, enabled them to permanently count such service for pay purposes. But cadets and midshipmen undergoing stringent training at the service Academies, and those aviation cadets appointed prior to 1942 who were in training to be combat pilots could not be so credited for their service as such. It should be noted that since the act of August 4, 1942, all aviation cadets in the Navy have had enlisted status in the Naval Reserve, and therefore are entitled to count their training period for service credit when they become officers.

"The great majority of former Reserve officers recently transferred into the Regular Navy had either inactive service prior to the war, or had received their college training during the war under the V-5 or V-12 programs. All types of previous Reserve service performed by them including inactive or training periods may be counted in the computation of their pay.

"It is, therefore, apparent that since 1942 a marked discrimination has existed against the active service performed by midshipmen, cadets, and appointed aviation cadets, by excluding such service from the later computation of their pay as officers.

"I should like to briefly illustrate one type of the numerous cases of discrimination that will permanently exist under the provisions of present law. Taking for example, two young ensigns in the Regular Navy of corresponding length of service; one is a graduate of the V-12 college training program while the other graduated from the Naval Academy at the same time. Throughout their careers, the Naval Academy ensign will receive less pay than the other, due to the fact that the V-12 college service may be credited while the Academy service may not. Then assuming that those same two officers complete 26 years' regular commissioned service, and at that point both are retired. The V-12 college service credit will permit one to receive the maximum retired pay of his grade which will be nearly 9 percent greater than that to which the Academy graduate is entitled. This is typical of many other similar situations that will result from the operation of present law."

Lieutenant General Willard S. Paul, Director of Personnel and Administration, Department of the Army, said in part:

"The purpose of this legislation is to amend section 3A of the Pay Readjustment Act of 1942, as amended, so that persons paid thereunder will be credited, in the computation of their service, for periods during which they served as cadets at the Military or Coast Guard Academies, or as midshipmen at the Naval Academy, in the Naval Reserve, or as aviation cadets.

"Under existing law, virtually all types of military and naval service, whether full-time active duty or in the Reserve or civilian components, may be credited for pay purposes, with the exception of service as cadets or midshipmen, and certain service as aviation cadets in the Naval Reserve.

"The amendments to the Pay Readjustment Act contained in the statutes approved December 2, 1942, and September 7, 1944, established or confirmed the policy of recognizing, for pay purposes, all periods during which an individual was serving in active or Reserve status in a component of the armed forces. Under earlier law, the exclusion of cadet and midshipmen service did not result in any marked discrimination, because the categories of service which could be credited were much more limited.

"While the advisability of crediting service in the civilian components for pay purposes is, of course, subject to reexamination, it is now well established; and a large number of officers with substantial amounts of such service have recently been integrated in the Regular Army and Air Force under Public Laws 281 and 670 of the Seventy-ninth Congress.

"Cadets and midshipmen are members of their respective services, and are at all times on actual active duty. Their training is rigorous, and they are subject to military discipline and control throughout such service. Accordingly, it is believed that service as cadets and midshipmen should be credited for pay purposes; and that the existing denial thereof constitutes an unwarranted discrimination.

"Section 2 of the bill would make the proposed change in the Pay Readjustment Act applicable to active-duty pay, and also to the retirement pay of persons heretofore or hereafter separated from the active list; but would prevent crediting of such service for purposes of establishing eligibility for voluntary retirement.

"Pay of retired personnel is normally based upon their active-duty pay at the time of retirement, but subsequent amendments are usually made applicable to persons previously retired. I recommend such action in the instant case."

Under a question from Senator Morse, General Paul said: "We do feel that there is a rank discrimination at the moment and that it should be ironed out."

Admiral Joseph F. Farley, U.S.C.G., Commandant of the Coast Guard, said in part:

"Mr. Chairman, the bill, S. 657, now under consideration by this committee, has the endorsement of the Treasury Department as indicated by the letter of the Secretary of the Treasury of May 1, 1947.

"The history of the development of this legislation has already been traced by other representatives of the armed services and there is little that the Coast Guard as an agency of the Treasury Department in time of peace and as a service of the Navy in time of war can add to the testimony already given.

"The pay of Coast Guard personnel is controlled by the Pay Readjustment Act of 1942 as amended, and to all intents and purposes our rank and pay are parallel to and commensurate with those of the other armed services, particularly with respect to the Navy.

"This is not only desirable but necessary in that in time of war Coast Guard officers serve shoulder to shoulder with officers of the Navy and discrepancies in rank for officers of similiar service would create difficult situations and raise serious morale problems.

"Insofar as the counting of cadet service itself is concerned, the Coast Guard sees no justification for failing to include such service for the purpose of longevity, particularly in view of the fact that the Pay Act of 1942 liberalized the law with respect to those types of military service which can be counted for longevity and pay.

"In fact, as has been indicated by previous witnesses, time at our service academies, whether Annapolis, West Point, or the Coast Guard Academy, is practically the only military service now excluded for computational purposes."

As has been indicated, Admiral Roper gave as one example of the discrimination a comparison between cadets and midshipmen and those who become officers via the V-12 college training program. Another example exists in the credit

given the enlisted service in the Naval Reserve to those who have been sent to college under the Naval Aviation College Program and the denial of credit to other young men for their more important service as midshipmen. Under this program young men are enlisted as naval reservists and, during the first two years of their service, are sent to college at government expense and paid $50 per month retainer pay. After the completion of two years in college they become midshipmen, United States Navy, the same rank held by other midshipmen of the Regular Navy. As midshipmen, they are given aviation training at the Naval Air Station, Pensacola, Florida, for one year, followed by a year of flight training as midshipmen at sea in aircraft carriers. These two years of full-time active duty as midshipmen in extra hazardous flight training are not credited, although the two previous years as enlisted reservists at college at government expense are given full credit. Following the successful completion of the four-year training course, they are commissioned as Ensigns, U. S. Navy, with the requirement that they serve on active duty for at least a year.

Thus, these young men are allowed by law, and by the bill before the Committee, to count for pay and longevity purposes the first two years they serve as enlisted reservists, while enrolled in a civilian college at government expense and are, with other cadets and midshipmen, denied credit for their full-time active duty as midshipmen. The amendment we propose and recommend to this Committee would remove this discriminatory provision against them and at the same time remove the existing discrimination against other cadets and midshipmen.

We have thus far devoted our statement on this subject to the necessity of removing this discrimination in the interest of justice to those who have performed the service in question—a discrimination which has caused, is now causing, and will until it is removed continue to cause, a deep-seated feeling of unfairness among those thus discriminated against.

Our country has an investment in those who reach officer status via our service academies. Resignations and early retirements dissipate that investment. Young officers who were trained at our service academies are resigning in increasing numbers. During the hearings on this legislation on May 20, 1949, Mr. Kilday made the following statement:

> "Since 1946 we have had resignations among the graduates of the Naval Academy to the extent of 643. Contrasting that with the years from 1937 to 1940, we had only 63 resignations from the Naval Academy graduates.
>
> "The matter is progressing and we feel if it continues at the rate that it has during the years 1945, 1946, and 1947, the last three graduating classes, we will reach the point of 44 percent of resignations with less than 5 years of service."

It is our understanding that the same situation, in general, exists with reference to the resignations of young Army officers trained as cadets in the Military Academy and young Coast Guard officers trained at the Coast Guard Academy. A statement to that effect with reference to Military Academy graduates was made on the floor of the House during the hearings on this bill on June 15, 1949.

Discriminations result in poor morale and, if maximum efficiency is to obtain in the military services, morale must be maintained at the highest possible level. Should the Congress, in its wisdom, remove the existing discrimination against those who have served as cadets, midshipmen, aviation cadets and flying cadets, one of the contributory causes detrimental to morale will have been removed. Such action will, in our opinion, preserve to the military services many who might turn to other pursuits, and the country will reap the benefit from the highly specialized instruction they have received at government expense. Indeed, no small few of them thus saved to the service of their country might well become our outstanding military leaders of tomorrow.

There has never been a single substantive reason advanced against extending credit for the service in question. It has been declared that, since the education at our service academies is free, this service should not be credited. That is not a valid reason for failing to recognize the service for what it is, namely, fulltime active military service. Furthermore, the training of midshipmen at the Naval Academy is not free. In fact, those who perform such duty are paid as are all other types of military personnel. In return, they give all of their time and dedicate themselves to the military service, cease entirely to be free agents, submit themselves to a most rigorous military training under curricula selected by the Government for the benefit of the Government, and live under continuous, strict military discipline. During the various wars, cadets and midshipmen have been graduated from the service academies before the completion of the normal courses of instruction in order to make them more promptly available for service as officers. As a matter of fact, what they receive at the service academies should be looked upon more as highly technical, specialized military training rather than education in a more general sense. Furthermore, if credit for longevity is to be withheld merely because those who would receive it are being educated, credit should be withheld from all, for military personnel are, and should be, progressively educated and trained for the military profession at all times. This is true of officers who attend post-graduate schools in colleges and universities at government expense, enlisted personnel who attend trade schools and other educational institutions, and naval reservists and draftees who attend college and universities at government expense in large numbers while in military status. In all of these latter categories, the service performed is credited for pay and longevity purposes.

To summarize, cadets, midshipmen, aviation cadets and flying cadets all perform full-time active military service. All military service, regular and reserve, active and inactive, except the service in question is now credited. The types of service for which credit is now extended, and would be extended in Section 202 of the bill, include more than 30 classifications, most of which do not even require active duty. Credit is extended for service in the Philippine Scouts and Philippine Constabulary. All reserve service is credited, including service in the National Guard Reserve.

In view of all consideration pertinent to this question, and consistent with the established policy to credit all military service for pay and longevity purposes, the Retired Officers Association strongly recommends that the bill be amended by adding the words "cadet, midshipman, aviation cadet, flying cadet" after the words "flight officer" in Section 202 (a)(1) of the bill.

III—Extension of Within-Grade Longevity Increases in the Four Lower Commissioned Ranks.

In the pay tables in Section 201(a) of the bill in the 0-4 pay grade, longevity increases cease after 26 years of service, in the 0-3 pay grade after 22 years of service, and in the two lowest pay grades, 0-2 and 0-1, no within-grade longevity increases are provided whatever.

Officers who, particularly during wartime, are advanced from warrant ranks and from enlisted status to commissioned officer status after long years of service would in many cases, be provided with no periodic increases in pay for length of service. This would tend to destroy the incentive for warrant officers and enlisted men to seek appointments to commissioned ranks, which incentive should be maintained. Accordingly, it is our belief that longevity pay for length of service in the lower ranks should be extended to include periodic increases up to 30 years of service and we so recommend.

Our specific proposal in this respect is as follows:

Change commissioned officers pay scales in Sec. 201(a) as follows:

Pay Grade 0-1:
For over 16 years service, change 313.50 to 323.50
For over 18, over 22, over 26 and over 30 years service, change 313.50 to 333.50

Pay Grade 0-2:
For over 16 years service, change 349.13 to 359.13
For over 18 years service, change 349.13 to 369.13
For over 22, over 26 and over 30 years service change 349.13 to 379.13

Pay Grade 0-3:
For over 18 years service, change 427.50 to 437.50
For over 22 years service, change 441.75 to 461.75
For over 26 years service, change 441.75 to 471.75
For over 30 years service, change 441.75 to 481.75

Pay Grade 0-4:
For over 22 years service, change 498.75 to 518.75
For over 26 years service, change 513.00 to 543.00
For over 30 years service, change 513.00 to 563.00

Pay Grade 0-5:
For over 30 years service, change 584.25 to 604.25

with these proposed amendments accomplished, the amended part of Section 201 (a) would appear as follows:

COMMISSIONED OFFICERS

Cumulative Years of Service

Pay Grade	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
0-8	877.50	877.50	877.50	877.50	877.50	904.50
0-7	729.00	729.00	729.00	729.00	756.00	783.00
0-6	570.00	584.25	612.75	641.25	669.75	698.25
0-5	484.50	498.75	527.25	555.75	584.25	(584.25) 604.25
0-4	441.75	456.00	484.50	(498.75) 518.75	(513.00) 543.00	(513.00) 563.00
0-3	399.00	413.25	(427.50) 437.50	(441.75) 461.75	(441.75) 471.75	(441.75) 481.75
0-2	349.13	(349.13) 359.13	(349.13) 369.13	(349.13) 379.13	(349.13) 379.13	(349.13) 379.13
0-1	313.50	(313.50) 323.50	(313.50) 333.50	(313.50) 333.50	(313.50) 333.50	(313.50) 333.50

The rates now in the Bill, which it is proposed to change, are shown in parenthesis.

IV—Extension of Benefits to Warrant Officers Retired Prior to Effective Date of Any New Law.

The bill now before the Committee, in Section 511, extends benefits under the proposed new law to those retired prior to its effective date. It is not clear, however, whether this extension of benefits would include benefits to warrant officers retired prior to the effective date. This doubt exists by reason of the fact that the proposal does not specifically fix the status of warrant officers with reference to the four pay grades (W-1 to W-4) in Section 201 of the bill. Authority to distribute warrant officers among the four basic pay grades provided for warrant officers in the bill is vested in the secretaries concerned in Section 201 (c).

Unless Section 511, read against Section 201 (c) of the bill, will vest in the secretaries concerned authority to redistribute warrant officers, retired prior to the effective date of any new law, among the four pay grades applicable to warrant officers provided in Section 201(a) of the bill, the bill should be appropriately amended to provide such authority. In that case, this could be accomplished by adding the words, "including warrant officers heretofore retired," after the words "warrant officers" in subsection (c) of Section 201 of the bill and we so recommend.

(Note: Exhibit "A" to II—Extension of credit for service as cadets, midshipmen, aviation cadets and flying cadets of above statement was printed on page 6, 3rd Quarter Bulletin-1948. Copies are available at National Headquarters and will be furnished any member desiring, upon request.)

RECOMMENDATION TO AUTHORIZE COMPUTATION OF RETIRED PAY AT 75 PER CENT OF ACTIVE DUTY PAY

The following recommendation to authorize those officers to whom the right had formerly been granted, who served in World War I, to compute their retired pay at 75 per cent of their active duty pay and based upon the new proposed pay rates was made by Captain Thomas J. Jackson, USA, Retired, in a letter addressed to the Chairman of the Senate Committee on Armed Services on 21 June 1949:

RECOMMENDATION OF AN AMENDMENT TO H. R. 5007

It is recommended that section 511 of H. R. 5007 be amended by adding at the end thereof the following proviso: **"And provided further,** That, notwithstanding any provision of this act, any officer who served in any capacity as a member of the military or naval forces of the United States prior to November 12, 1918, heretofore retired for reasons other than physical disability, whose retired pay has been fixed by law at 75 percent of his active-duty pay, shall receive 75 percent of his active-duty pay provided in this act, based upon his rank and years of service creditable to him."

STATEMENT IN SUPPORT OF THE ABOVE AMENDMENT

Congress has on three specific occasions legislated that the officers covered in this amendment should have 75 percent of their active-duty pay. It is unthinkable that it would grant a right hastily or without duly weighing the merits of the right. We should not now enact a law which, in effect, would fail properly to recognize these former determinations against the interests of a few hundred officers by denying them the benefits of limited increased pay which are intended to apply equally to all. It would be a great deprivation to World War I veterans who in their declining years already are suffering from unusually large increased taxation on property and income and increased cost-of-living expenses incident to aging people with but a few years left to enjoy, survive or exist.

The proposed amendment would apply to officers, principally in the Army and Air Force, who were retired under the provisions of Public Law 190 of 1941, Public Law 607 of 1942, Public Law 160 of 1943, and to others retired under the provision of the fourth paragraph of section 15 of the Pay Readjustment Act of 1942. These officers were granted the opportunity to compute their pay on the basis of 75 percent of their active-duty pay in view of the fact that their careers had been prematurely terminated by the operation of the laws in question. In the Army, particularly, these officers were retired because of stagnation which existed in promotion due to large numbers of officers in certain grades, particularly the grade of captain in the Army, commonly referred to at that time as the "hump." The granting of 75 percent to these groups flows from the recommendation of the War Department, as personally recommended by General Marshall when he appeared before the House Military Affairs Committee and asked for the enactment of Public Law 190 in 1941. Thereafter Congress extended the same opportunities to others who had been retired from the military services under other comparable laws and for substantially the same reasons.

By granting increased retired pay to others and not to these officers, all of whom now are receiving 75 percent of their active-duty pay, Congress would fail to follow its considered action in three specific acts, Public Law 190, Public Law 607, and Public Law 160, which emphasized the right of these officers to have and to hold 75 percent of their active-duty pay, not just for a few years but for life, for services faithfully performed. To do otherwise the Government would fail to keep faith with its moral obligations concerning these retired officers.

Congress by special legislation indicated its desire that these groups of officers, with World War I service, should have full retired pay of 75 percent of their active-duty pay, if their retirement be honorable, even though they fall short of 30 years of service due to economic reasons or service reduction, for these officers have adjusted their lives accordingly and have but a few years to go.

PENDING LEGISLATION OF INTEREST

LIBERALIZING THE REQUIREMENT FOR PAYMENT OF PENSIONS IN CERTAIN CASES TO VETERANS, THEIR WIDOWS AND CHILDREN—H.R. 4617, which was passed by the House on 1 June 1949 and referred to the Senate Finance Committee, proposes in certain respects to liberalize the payment in certain cases of pensions to veterans, their widows and children. Sec. 4 of the bill would increase the annual income limitation governing the payment of pensions to widows and children. It would increase from $1,000 to $1,200 the income limitation governing the payment of non-service-connected death pensions to a widow without children or to a child of a World War I or World War II veteran. The existing income limitation of $2,500 applicable to a widow with a child or children would

not be affected. Thus, a widow or a child whose annual income would exceed the applicable amounts would not be eligible for a pension. Our Association is very much interested in this provision and believes the proposed increase in limitation is not adequate and will so recommend to the Senate Finance Committee.

TO AUTHORIZE ALLOWANCE OF TERMINAL LEAVE CREDIT TO OFFICERS OF THE ARMED FORCES, INCLUDING RESERVE COMPONENTS, DENIED CREDIT AS THE RESULT OF CHANGE IN STATUS—Two bills to accomplish the above purpose are now pending (S. 2222 introduced by Sen. Tydings and referred to the Senate Armed Services Committee, and H.R. 540 introduced by Rep. Reed of New York and referred to the House Armed Services Committee). These bills propose to extend leave credit to officers of the Army, Navy, Air Force, Marine Corps, Coast Guard, and the reserve components thereof, who (1) were retired between 8 September 1939 and 9 August 1946; (2) were recalled to active duty immediately after retirement; and (3) were deprived of leave credit solely because of its having been cacumulated prior to their being placed on the retired list. The bills provide the method of compensation for this purpose.

H.R. 540, referred to above, was passed by the House on 18 July 1949 and is now pending before the Senate Armed Services Committee.

TO PROVIDE EQUITABLE ADJUSTMENT OF RETIRED PAY FOR CERTAIN NAVAL OFFICERS—Two companion bills have been introduced at the request of the Navy Department (S. 2145 by Sen. Tydings and referred to the Senate Armed Services Committee, and H.R. 5350 by Rep. Vinson and referred to the House Armed Services Committee).

These bills propose to amend Sec. 10 of the Act of 24 July 1941, as amended, by adding the following new subsection:

"(f) Retired personnel in the following categories who served satisfactorily on active duty at any time between 24 July 1941 and on or prior to 30 June 1946 shall, if not otherwise entitled to the same or higher retired pay, be entitled to receive retired pay prescribed by law and applicable in each individual case but based upon the rank in which they so served: (1) Personnel, who upon retirement and pursuant to the Act of 21 June 1930 (46 Stat. 793; 34 U.S.C. 399c), were advanced to the highest temporary rank held during World War I. (2) Retired personnel who served in World War I in a rank higher than their permanent retired rank and who were subsequently advanced on the retired list to such higher rank. (3) Personnel who served in World War I and were, upon retirement, placed upon the retired list with the rank of the next higher grade by reason of special commendation for their performance of duty in actual combat. (4) Lieutenants of the Navy retired under any provision of law who had completed not less than twenty-one years of service before retirement, and who had naval service prior to 12 November 1918, as midshipmen at the Naval Academy: PROVIDED, That personnel of this category shall be advanced to the grade of lieutenant commander on the retired list with the retired pay of that grade, effective from the date of retirement applicable in each individual case."

TO AMEND THE FOURTH PARAGRAPH OF SECTION 15 OF THE PAY READJUSTMENT ACT OF 1942—Two bills have been introduced in the present Congress to amend the fourth paragraph of Sec. 15 of the Pay Readjustment Act of 1942. S. 577 introduced by Sen. McFarland and referred to the Senate Armed Services Committee, and H.R. 3266 introduced by Rep. Anderson of California and referred to the House Armed Services Committee, both have the same purpose in view. A report has been filed by the National Military Establishment on S. 577, recommending that action be withheld until after the enactment of the Career Compensation Act of 1949, while a report to the House Armed Services Committee stated in effect that the National Military Establishment had no comment to make.

The purpose of those bills is to add the words "heretofore or" before the word "hereafter" in the fourth paragraph of Sec. 15 of the Pay Readjustment Act of 1942, so that officers retired prior to the effective date of that Act (1 June 1942), providing they saw service in World War I, may have the same opportunities for the computation of their retired pay as was extended by that paragraph to those retired on and subsequent to that date.

The Career Compensation Act of 1949 repealed the Pay Readjustment Act of 1942, except paragraph 4 of Sec. 15 of the Act, which is preserved. Since the Career Compensation Act of 1949 has been enacted, it is now desirable that the proposal contained in the McFarland and Anderson bills receive favorable consideration to remove the existing discrimination. It should be noted, however, that the Career Compensation Act of 1949 has not extended the right to use 75% as a multiple in the computation of retired pay to the newly established rates. The opportunities of the fourth paragraph of Sec. 15 of the 1942 Act extend only to the rates of pay which existed prior to the effective date of the new pay Act.

Our Association has long been interested in this subject and will continue to urge favorable consideration.

TO EXPEDITE THE BORROWING OF FUNDS FROM ESTABLISHED LENDING INSTITUTIONS FOR THE ACQUISITION OF HOMES—Companion bills (H.R. 1324 introduced by Rep. Holifield and referred to the House Banking and Currency Committee, and S. 616 introduced by Sen. Thomas of Utah and referred to the Senate Labor and Public Welfare Committee), propose to expedite the borrowing of funds from established lending institutions to assist veterans in the acquisition of homes. Our Association on 7 July 1949 addressed a letter to Chairman Brent Spence of the House Banking and Commerce Committee, informing him that we support the enactment of appropriate legislation for the intended purpose. Hearings were held on H.R. 1324 by the Committee, at which it was decided that the provisions contained in that measure should be considered in an omnibus housing bill now under consideration, H.R. 5631, upon which early favorable action is anticipated.

CREDIT FOR CADET-MIDSHIPMAN SERVICE FOR THE PURPOSE OF LAWS ADMINISTERED BY THE VETERANS ADMINISTRATION—H.R. 5269 introduced in the House by Rep. Evins and referred to the Veterans' Affairs Committee, provides that those who attended service academies during the periods 13 August 1898 to 5 July 1902 and 6 April 1917 to 12 November 1918, shall be considered to have had active military and naval service during such periods for the purpose of laws administered by the Veterans Administration. This is an extension of present law which so recognizes attendance at service academies during World War II. It is a further step in the removal of injustices resulting from different treatment to veterans of different wars.

It is gratifying to observe the Congress is effectively proceeding to carry out a frequently announced purpose of establishing equality of benefits among veterans with war service.

Our Association will support, by all proper means, the passage of the instant legislation which, if and when passed, will extend war service pension rates to the widows of many who have performed the type of service mentioned.

RESTORATION OF LOSSES DUE TO INEQUITABLE APPLICATION OF EMERGENCY ECONOMY LEGISLATION

In the 4th Quarter 1948 Bulletin, this subject was discussed at some length. It was there stated that certain officers had

suffered unintended disproportionately large reductions in their pay as a result of the Economy Laws. It was further explained that our Association had invited attention of the Secretary of Defense to the inequities involved, with the request that he cause the merits to be considered and that appropriate action be taken to initiate corrective legislation.

Independently of the above suggestion, there has been introduced in the Senate by Sen. Jenner a bill, S. 1119, to authorize settlement of those inequitable losses in pay commissioned officers of the services under the emergency economy legislation. That bill was referred to the National Military Establishment for comment and recommendation, which have not as yet been made. It is to be hoped that this meritorious matter will receive the support of the Armed Services and that the Jenner bill will be brought to hearing so that the existing inequities may be fully understood and corrected by the Senate Judiciary Committee, to which the Jenner bill was referred. The Association will request the Committee to hold hearings for that purpose, in order that poportunity be provided to express our views in the premises.

PREAMBLE TO THE BY-LAWS OF THE ASSOCIATION

To inculcate and stimulate love of our Country and the flag; and to defend the honor, integrity and supremacy of our National Government and the Constitution of the United States;

To foster fraternal relations between all branches of the various services from which our members are drawn;

To aid the retired personnel of the various services from which our members are drawn in every proper and legitimate manner; and

To present their rights and interests when service matters are under consideration, we unite to form the RETIRED OFFICERS ASSOCIATION.

RANK ON RECALL

In decision B-85471 dated 10 August 1949, the Comptroller General held that Navy officers (permanent or temporary) of captain rank or below who were specially commended for performance of duty in actual combat and were placed on the retired list in the rank next higher than that which serving at time of retirement in accordance with sec. 412(a), Officer Personnel Act of 1947, would not be entitled to be recalled to active duty in such advanced rank and receive the active duty pay and allowances thereof. 28 Comp.Gen. 531.

CREDIT FOR CADET-MIDSHIPMAN SERVICE

Consistent with the great interest expressed by many of our members and in line with the policies of the Association, considerable effort has been and still is being made to achieve credit for service as cadets, midshipmen, aviation cadets and flying cadets of the uniformed services in the pay structure thereof.

Full and complete briefs supporting the merit of crediting that service were filed with the Armed Services Committees of the Senate and House during consideration of the Career Compensation Act of 1949. The views therein contained were amplified in testimony given before the House Armed Services Committee and in the written presentation submitted to the Senate Armed Services Committee. Neither of those Committees saw fit to include that credit in the above Act.

However, Chairman Tydings of the Senate Armed Services Committee, addressed a letter to our President, Admiral Hamlet, stating that the views of the Association which, as he put it, "were so ably presented," had been given close attention, but that since the crediting of that service had not been included in the pay bill by the House, his Committee did not consider it advisable to raise the question in that particular measure.

In reply to the above communication, Admiral Hamlet wrote Senator Tydings stating, in effect, that it was noted with considerable disappointment the fact his Committee had decided that to attempt to give longevity credit for the services involved might jeoepardize the bill. Admiral Hamlet conceded that the vital importance of the enactment of new pay legislation far transcends other considerations at this time and agreed that the inclusion of no provision, however meritorious, should impede that much needed reform.

Coincidently, Admiral Hamlet advised Senator Tydings the Association interpreted his letter merely to denote that, procedurally, it had been considered inadvisable to include credit for those services in the instant Act. He likewise pointed out that, independently of that conclusion, Senator Tydings' Committee is fully cognizant of the merits of the proposal and of the fact that in the present pay laws for the uniformed services and in the legislation embodied in the Career Compensation Act of 1949 itself, credit is extended for numerous types of military service no more deserving of credit than that which is sought. Thus, a clear and well recognized discrimination exists against cadets, midshipmen, aviation cadets and flying cadets, which will be perpetuated unless and until corrective action is taken.

In requesting that necessary action be taken to remove the existing discrimination by crediting the service in question, Admiral Hamlet stated it to be his understanding that Senator Tydings is in sympathy with the Association's desires in this connection, inasmuch as S. 631, which was introduced by Senator Tydings and is now pending, proposes to accomplish that purpose.

Concluding his letter, Admiral Hamlet made known that the Association is prepared and anxious to present its views in open hearings before the Senate Armed Forces Committee and asked that we, and others interested in this subject, be accorded that opportunity at an early date in the next session of Congress.

NATIONAL SERVICE LIFE INSURANCE DIVIDENDS

An estimated $2,800,000,000 will shortly be distributed by the Veterans Administration to World War II veterans who have held National Service Life Insurance policies for not less than 3 months. It is understood that persons who permitted their NSLI to lapse will also be paid dividends provided, of course, such insurance was active for the minimum 90 day period. In cases where the policyholders have died, the beneficiary may claim the dividend.

Dividend payments will be computed from the date the policy was taken out to the anniversary date in 1948 on the basis of the amount of insurance carried, the period in force and the age of the insured.

The Veterans Administration expects to have application forms to claim the payments available for distribution through all post offices, veterans' organizations and VA regional offices sometime in August. They hope to start mailing dividend checks, in amounts depending upon individual circumstances, during January 1950.

Inquiries concerning such payments should not be addressed to the Veterans Administration, since they would only tend to delay the involved administrative procedures.

DUAL EMPLOYMENT AND DUAL COMPENSATION

Under present laws retired officers of the military services are, in certain cases, prohibited from Federal service in civilian positions and in others, where such employment is authorized, the total amount of compensation they may receive annually both from their retired pay and by way of compensation from their service in civilian capacity, is limited to $3,000. This has been the subject for former articles in the Bulletin and our Association has strongly recommended modification of present laws, both in the interests of the Government and of individuals concerned.

Four bills have been introduced in the 81st Congress suggesting modifications of the present law. S. 473, introduced by Sen. Magnuson and referred to the Senate Post Office and Civil Service Committee, suggests increase of the present limitation of $3,000 to $5,000 as the maximum amount which a retired commissioned officer may receive as combined retired pay and compensation from a civilian office or position under the Government. H.R. 2209, introduced by Rep. Patten and referred to the House Armed Services Committee, would increase the maximum limit to $7,500. S. 1665, introduced by Sen. Baldwin and referred to the Senate Armed Services Committee, proposes the repeal of section 212 of the Economy Act of 30 June 1932, which would remove entirely any limitation of the combined compensation. S. 2351, introduced by Sen. Johnston of South Carolina and referred to the Senate Post Office and Civil Service Committee, proposes a comprehensive simplification and consolidation of the laws relating to the receipt of compensation under dual employment with the United States. No action has been taken on any of the above mentioned bills.

The first three bills were not proposals recommended by the Executive Branch of the Government. S.2351, however is a bill which was introduced on 29 July 1949 as the result of a recommendation made by the Civil Service Commission to the Vice President and the Speaker of the House. It resulted from a long study which was undertaken by the uniformed services and the Civil Service Commission. It is understood that proposed measure has approval of the Bureau of the Budget and is one concerning which action should be expected during the second session of the present Congress.

Sen. Johnston's bill (S. 2351) would repeal all former laws governing dual employment and dual compensation and, in lieu thereof, would place the combined amount of compensation at $5,000 per annum. However, it would permit an election between the pay of either office of position by an individual who could not accept both compensations. The opportunity to receive both the retired pay and the pay of the civilian office is given only to those who have been retired for disability incurred in combat with an enemy of the United States or for disability resulting from an explosion of an instrumentality of war in line of duty.

The interest of our Association in thus much needed reform is well known. Our former president, Admiral Sellers, addressed a letter to Secretary of Defense Forrestal on 14 March 1947, outlining the necessity for clarification and liberalization of the present laws. On 1 May 1947, Secretary Forrestal informed Admiral Sellers of his awareness of that necessity, and that he had instructed the Chief, Office of Industrial Relations, Navy Department, to confer with officials of the Civil Service Commission with a view toward having consideration expedited, in order that Congress might weight the specific recommendations made.

Our Association will continue to interest itself in this matter so that the Government may have available to it the services of highly skilled retired military personnel and, at the same time, that those officers may to some degree, at least, enjoy the same opportunity of service to their Government open to other citizens.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY RETIRED OFFICERS

On 28 June 1948 the President signed Public Law 137, 81st Congress, which removes the prohibition against the prosecution of claims against the Government by retired officers.

The prior restriction, above referred to, contained in Section 283 of title 18, USC, is now amended by inserting after the first paragraph thereof a new paragraph as follows:

"Retired officers of the armed forces of the United States, while not on active duty, shall not by reason of their status as such be subject to the provisions of this section. Nothing herein shall be construed to allow any such retired officer within two years next after his retirement to act as agent or attorney for prosecuting or assisting in the prosecution of any claim against the Unites States involving the Department in whose service he holds a retired status, or to allow any such retired officer to act as agent or attorney for prosecuting or assisting in the prosecution of any claim against the United States involving any subject matter with which he was directly connected while he was on active duty status."

This has been a subject in which our Association has been keenly interested over a considerable period and constituted one of our major legislative proposals. On 27 January 1947 our former President, Admiral Sellers, addressed letters to the Secretaries of the Departments and to the Heads of the Agencies having cognizance of those affected, outlining the desirability of modifying the then existing law. Our Association also appeared and testified on S. 156, 80th Congress, the purpose of which was the same as that stated in the instant Act.

Since the passage of this new legislation, officers of the Association are now fully qualified to represent our members and their survivors in matters before the Veterans Administration. Accordingly, it will no longer be necessary for the Association to seek Federal incorporation.

ARMY RETIRED OFFICERS AUTHORIZED TO SERVE AS CIVILIAN CONSULTANTS AND EXPERTS

The Secretary of the Army recently issued a ruling concerning the employment of retired commissioned officers as civilian consultants or experts.

It is pointed out in the provisions of the instant ruling, below indicated, that there is no restriction on the appointment of retired commissioned officers as civilian consultants and experts. However, when so employed, except in the cases of those retired because of injuries received in actual combat or as the result of an explosion of an instrumentality of war, those days of the month on which service as a civilian consultant or expert is rendered, the officer concerned may not receive his retired pay.

Summary of the ruling follows:

1. The Office, Secretary of the Army, in a recent decision ruled on the effect of the dual compensation statutes upon the employment of retired commissioned officers as civilian consultants or experts as follows:

a. There is no restriction on the appointment of commissioned officers retired because of age or length of service or injuries incurred in the line of duty (not in combat) either as to holding a civilian office or as to the aggregate income received.

b. There is no restriction on the appointment of commissioned officers retired because of injuries sustained in actual combat, either as to holding a civilian office or as to the aggregate income received.

2. Pursuant to the provisions stated in paragraph 1 above, it is possible to employ a retired commissioned officer as a

civilian consultant or expert regardless of the amount of retired pay he is receiving, and he may be employed at the full per diem rate of pay. However, when employed and the provisions of paragraph 1a pertain for those days of the month on which he renders service as a civilian consultant or expert he may not receive his retired pay.

3. In order to avoid conflicts with the dual compensation statutes a retired commissioned officer, appointed under the provisions of paragraph 1a above, must monthly advise the finance officer who disburses his retired pay which days he worked in a civilian status so that the retired pay will be withheld for those days. The appointed retired commissioned officer is responsible for notifying the Finance Office under the provisions of paragraph 18, AR 35-1760.

4. Future requests for appointment of retired commissioned officers as civilian consultants or experts should be made pursuant to the provisions of this circular.

While no instructions have been coincidentally promulgated by the Secretary of the Navy or the Secretary of the Air Force, the same legal principles apply to officers of the other branches of the uniformed services.

It is interesting to note in this connection that the Comptroller General in his decision B-12238 of 7 November 1940 held that persons or firms that furnish plans, specifications, designs or drawings for the Navy "are commonly understood as being engaged in the furnishing of professional services, and clearly professional services are not 'naval supplies or war materials' within the accepted meaning of that term."

REVIEW OF RECORDS OF NAVY AND MARINE CORPS OFFICERS PASSED OVER FOR WARTIME PROMOTIONS

S. 780 introduced by Sen. Tydings originally had for its purpose the promotion of Commander Edward W. Rawlins, USN, who made claim that he was unjustly denied wartime advancement to the rank of captain as a result of panel action.

During the course of hearings on that bill by the Senate Armed Services Committee, it became apparent that other deserving officers of the Navy and Marine Corps might also have failed of promotions because of the circumstances surrounding the expedient panel action by which qualifications for comparable commander-captain grades were determined during the war years.

Accordingly, the scope of the bill was enlarged upon to require the Navy Department to restudy and review the cases of all active and retired Navy and Marine Corps officers who were passed over for promotion by wartime panels (except for flag rank) between 30 June 1942 and 7 August 1947 and, in that form, the measures passed the Senate on 6 July 1949.

H.R. 2533, similar to S. 780, was introduced by Rep. Sasser and he made every effort to have it brought before the House Armed Services Committee of which he is a member.

Due to the press of many high priority legislative matters demanding attention in the final days before adjournment, no hearings on either of the above mentioned bills were held by the House Armed Services Committee. Consequently, it was not possible to schedule a consideration by the House in the session recently ended.

However, there is every reason to expect that the entire question of Navy and Marine Corps officers who were passed over for wartime promotions will receive full consideration in the next session of Congress and the Association will then present the interests of retired Navy and Marine Corps officers in that particular.

Briefly the Senate bill above referred to provides in general as follows:

(1) That the Secretary of the Navy appoint appropriate Navy-Marine Corps boards within six months of the date of approval of the act to review the records of commissioned officers on the active or retired lists of the regular Navy and Marine Corps who failed of advancement at any time between 30 June 1942 and 7 August 1947.

(2) Upon determination by the board that any error, administrative delay, oversight or injustice was made, the board shall recommend the grade or rank to which the officer so prejudiced shall be advanced and the date of commission which should be issued to restore such officer to the position on the active or retired lists he would normally have occupied, provided that no advancement to a grade or rank higher than captain in the Navy or colonel in the Marine Corps shall be so recommended.

(3) Where the Secretary of the Navy approves the recommendation of the board, he shall promote the officer concerned, subject to approval of the President in each case, provided that no officer on the retired list shall be placed on active duty by the operation of this act. Approval or disapproval by the President shall be final and conclusive.

(4) Pay and allowances of any offices advanced in pursuance hereof shall commence on the date of approval by the President. No back pay accrues.

(5) Officers on the active list advanced under the provisions of this act shall be promoted by the Secretary of the Navy only after establishing fitness for promotion in accordance with sections 1493 and 1496, Revised Statutes.

PAY OF RETIRED COMMISSIONED AND WARRANT OFFICERS OF THE REGULAR ARMY AND AIR FORCE

Regulations were issued jointly on 19 May 1949 by the Departments of the Army and Air Force as AR 35-1350 and AFR 173-35, dealing with the pay of retired regular commissioned and warrant officers of those services.

The above regulations contain a comprehensive treatment of the following subjects and the manner in which situations thereunder affect the pay status of retired regular Army and regular Air Force officers:

Retirement other than disability; disability; special provisions affecting retirement pay; pay while on active duty; dual office and dual compensation (Acts of 31 July 1894 as amended and 30 June 1932); dual office and dual compensation in special cases; prohibited activities; and miscellaneous provisions.

Since those regulations are of great interest to retired commissioned and warrant officers of the regular Army and Air Force, arrangements have been made to make a limited number of copies available to members upon request to National Headquarters, or they may be obtained direct from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., by asking for Army Regulations 35-1350 (under which heading they are filed) at 10c per copy, cash in advance.

ADVANCEMENT ON RETIRED LIST OF RETIRED OFFICERS SPECIALLY COMMENDED DURING ACTUAL COMBAT

Subsection 412(a) of the Officer Personnel Act of 1947 authorizes the advance on the retired list of retired Naval officers who have been specifically commended for performance of duty in actual combat. This interpretation of subsection 412(a) was made by the Judge Advocate General of the Navy in an opinion rendered 11 July 1949 and approved by the Secretary of the Navy on 13 July 1949 in reliance upon the fourth proviso of that section. Prior to the enactment of the Officer Personnel Act of 1947, the laws authorizing the advancement of officers of the Navy, Marine Corps and Coast Guard specially commended for performance

of duty in actual combat applied only to officers on the active lists. While the above opinion related only to retired Naval Officers the same interpretation would apply to Officers of the Marine Corps and Coast Guard.

The above mentioned decision of the Judge Advocate General of the Navy was rendered in the case of Commander Malcolm W. Callahan USN (Ret.) who, as a retired officer serving on active duty, was awarded the bronze star medal for the performance of duty in actual combat against the enemy. After discussing the question presented and the applicable law, the opinion concluded:

"9. Assuming that Commander Callahan received a combat citation which qualifies him to receive the benefits conferred by the above-quoted subsection, and inasmuch as he returned to inactive duty with the rank of commander, the highest rank in which he served satisfactorily, he is entitled to advancement on the retired list to the rank of Captain with three-fourths of the active-duty pay of the grade in which he was serving at the time of his return to inactive duty. Obviously, as limited by the terms of the Act, he would be entitled to no back pay for any time earlier than 7 August 1947, the date of approval of the Act and the effective date of his promotion on the retired list."

ARMED FORCES LEAVE ACT OF 1946 EXTENDED TO COAST & GEODETIC SURVEY OFFICERS

H.R. 2572, introduced by Rep. Garmatz in the House on 9 February 1949, for the above mentioned purpose, was passed by the House on 6 July 1949 and by the Senate on 9 August 1949. It became Public Law 239, 81st Congress, when signed by the President on 17 August 1949.

PROPOSED AMENDMENT TO RESERVE RETIREMENT PROVISIONS

H.R. 5508 had for its purpose the amending of subsections (b) and (c) of sec. 302 of the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (Public Law 810, 80th Congress) by striking out where they appear the words "the enactment of this Act" and inserting in lieu thereof "1 July 1949." This legislation was intended to provide relief for those reserve personnel who may have suffered because of their failure, through no fault of their own, to receive timely notice of the obligations imposed upon them with respect to the number of credits which must be earned annually through the performance of reserve duties.

The necessity of this legislation arose from a Comptroller General's decision which would have deprived most reserve personnel of one year of satisfactory Federal service. Many older reserve personnel would have been entitled to count another year in order to obtain the required total of 20 years of satisfactory Federal service in order to participate in the reserve retirement program. Subject bill passed both the House and Senate and was sent to the President for approval.

On 9 August 1949, however, the President vetoed the measure submitted to him on the grounds that an amendment offered and adopted on the floor of the House, designed to grant certain not intended benefits to permit the counting of non-Federal National Guard service, would have increased its cost to a point exceeding justifiable limits.

Notwithstanding, the President indicated he would approve new legislation, eliminating the objectionable feature referred to above in H.R. 5508.

Immediately thereafter H.R. 5929 was introduced in the House by Rep. Clemente and was passed by the House and Senate, thus enacting the basic purpose of H.R. 5508 without the features found objectionable to the President.

SERVICE COMMISSARY AND EXCHANGE STORES

Based upon persistent claims and objections by private retailers that service commissary and exchange store sales have created for them unfair competition and consequently loss of profits, an extensive investigation of service commissary and exchange stores was recently made by the House Armed Services Committee.

Growing out of that investigation was a directive issued by the National Military Establishment on 3 August 1949, setting up new regulations governing the operation, in equal manner, of all service commissary and exchange stores and representing a considerable curtailment in the scope of military resale operations.

The provisions of those regulations are summarized as follows:

ARMED SERVICES COMMISSARY STORE REGULATION—(1) Commissary stores located in areas where adequate commercial facilities are conveniently available at reasonable prices will be disestablished not later than 1 January 1950; (2) effectitve not later than 1 January 1950, commissaries will be designated as Army Commissary Stores, Navy Commissary Stores, Air Force Commissary Stores, and Marine Corps Commissary Stores; (3) provision is made for a uniform method of identifying patrons; (4) a standard list of stock categories is established; (5) with the exception of Army and Air Force commissary stores (which are required by law to sell at cost), the regulation requires that the stores be self-sustaining with respect to the purchase of operating equipment and supplies, and the cost of utilities furnished by the Government. Equipment not purchased from commissary store income may be utilized, when available, provided all operating and maintenance costs of such equipment are paid by the commissary store using the equipment; (6) all purchases by individuals must be made for cash, except where charge sales are specifically authorized in overseas areas by the Secretary of the Department concerned; (7) the regulation will become effective on and after 1 October 1949, except with respect to the change in name and the disestablishment of commissary stores which are to be effected not later than 1 January 1950.

ARMED SERVICES EXCHANGE REGULATION—(1) (Effective 1 January 1950) post exchanges and ships' service stores will be designated as Army Exchanges, Navy Exchanges, Air Force Exchanges, and Marine Corps Exchanges; (2) a single list of authorized patrons is established; (3) provision is made for a uniform method of identifying patrons; (4) provision is made for a standard list of facilities (barber shop, cobbler shop, etc.) which exchanges may operate; (5) a standard list of authorized resale items is established (this list represents a considerable curtailment in many of the lines of merchandise which exchange and ships' service stores have previously been authorized to sell); (6) the regulation permits the operation of a grocery section by an exchange only when commercial facilities are not available or when necessary because of other factors deemed important. Only the Secretary of the Department concerned may grant authority to operate a grocery section; (7) the special order system is abolished (as of 1 October 1949); (8) each service is required to have an annual audit of its exchange system by a certified public accounting firm or firms; (9) collection of the Federal Retailers' Excise Tax on all items subject to the tax is required (effective 1 August 1949; (10) all exchanges are required to use a sales slip to record the sale of single items of merchandise bearing a sales price of $5 or over. These sales slips must be signed by the patron at the time the sale is consummated. Each slip will include a statement certifying that the merchandise listed thereon is not for resale

and that it is for the personal use of the purchaser, or his dependents, or is for use as a bona fide gift; (11) exchanges are required to be self-sustaining with respect to the payment of salaries of civilian employees, the purchase of operating equipment and supplies, the maintenance of equipment, and the cost of utilities furnished by the Government. Available equipment of the Government may be utilized provided all operating and maintenance costs of such equipment are paid by the exchange using the equipment; (12) the regulation will become effective on and after 1 October 1949, except with respect to the redesignation of post exchanges and ships' service stores to be effective 1 January 1950, the list of authorized resale items which will be published as soon as practicable, and payment of the Federal Retailers' Excise Tax made effective 1 August 1949.

As has been indicated in previous articles bearing upon this subject, the actual money saved in dealing at service commissary and exchange stores is not so great as to justify a curtailment of those facilities which have long provided a great convenience and much needed benefit to service families, whose economic situations cannot, by any standard, be compared with those of similar incomes in civil life. The civilian is settled. No transfer orders cause him to pull up roots on short notice and head for distant lands; he is not required to maintain an elaborate wardrobe of uniforms of varied colors, styles and weights, in addition to a supply of civilian clothing; he is not faced with the tremendous and frequently recurring personal expense involved in shifting every few years from one duty station to another; nor with the necessity, at times, of providing separate accommodations for his family and himself when it is not possible for them to be together.

Military personnel have, to some extent, regarded service commissary and exchange privileges as a means of equalizing in a minor degree the difference between military and civilian economic standards. Thus, they are looked upon as a medium whereby shorter dollars are made to go farther.

In the report of the Hook Commission, out of which evolved the Career Compensation Act of 1949, service commissary and exchange privileges were alluded to as "hidden benefits." Indeed, there may be some slight benefit in them, but never before can it be recalled that they were considered "hidden."

Many of our civilians apparently are not aware that service exchange sales provide 85.5% of the welfare and recreational advantages enjoyed by enlisted uniformed personnel—perhaps their own sons or daughters in certain cases—'round the world. To the extent that profits from exchanges are curtailed, a proportionate reduction must be made in those welfare and recreational facilities and programs.

Consequently, it would seem that those private retailers who are now in business, but for the Grace of God and the blood shed by inspired and unselfish members of our Armed Forces, might show a more generous attitude toward those who would again, if necessary, be expected to safeguard their personal interests.

Lest it be forgotten so soon, consider those countries in which, because of the lack of "military morale," once influential merchants are now objects of poverty, peddling their wares on the streets.

Sincere gratitude for the sacrifices made by our fighting forces in the past and those which will, if required, be made in the future, should not be calculated entirely by manipulation of the slide rule or other process of mathematics. It must, if genuine, flow freely from the hearts of those who are everlastingly grateful for the liberties which have thus been preserved to them.

STATEMENT OF THE RETIRED OFFICERS ASSOCIATION BEFORE THE SENATE SUB-COMMITTEE ON ARMED SERVICES ON S. 718 AND S. 719

(NOTE: The subjects of the above bills are as follows: S. 718—to restore to the active lists of the Army and Air Force officers retired involuntarily due to lack of funds between 26 April 1934 and 1 July 1935; and S. 719—to provide for the review of the records of proceedings of officers removed from the active lists of the Army and Air Force pursuant to the provisions of section 2 of the Joint Resolution of 29 July 1941 or section 24B of the National Defense Act in certain cases, to provide for retirement in the highest rank below the grade of colonel held by Army and Air Force officers in World War I, to provide advancement on the retired lists to the rank corresponding to the pay grade under which retired pay is received pursuant to the Pay Readjustment Act of 1942, and to provide for promotion of retired Army and Air Force officers as the result of combat citation in certain cases.

Both bills were introduced by Sen. Kefauver for himself, Sen. Smith of Maine, and Sen. Baldwin.)

The Retired Officers Association, composed of retired commissioned officers and warrant officers, regular and reserve, male and female, of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey and Public Health Service, welcome this opportunity to appear and desires at the outset, Mr. Chairman, to thank you for having permitted us to appear.

The provisions of S. 718 have for their purpose the same objective as the provision of section 1 of S. 719 insofar as the latter would affect the same group involved. The purpose of S. 718 is to accomplish restoration to active duty of a small number of officers of the Army and Air Force retired pursuant to section 24B of the National Defense Act, and section 1 of S. 719 has that same purpose and in addition proposes to restore other officers of the Army and Air Force retired pursuant to that provision of law and also pursuant to section 2 of the joint resolution of July 29, 1941 (55 Stat. 606). Similar procedure to accomplish such purpose was enacted by Congress in section 107 of Public Law 810—80th Congress, applicable to those involuntarily retired under the provisions of section 2 of the joint resolution of July 29, 1941. It is our understanding that the number of officers who would be affected by the proposal contained in S. 718 is approximately 20. Among these officers are some who feel that their retirement was as the result of economy effected by Public Law 176—73rd Congress, making appropriations for the War Department and that they would not otherwise have been retired under the provisions of section 24B of the National Defense Act. Consequently, it is felt by these officers that they should be accorded the same opportunity to have their cases reconsidered with a view toward restoration to active duty as was provided in Public Law 810-80th Congress, for those officers who were retired under the provisions of section 2 of the joint resolution of July 29, 1941. In addition, to these officers, there are other officers who were retired under section 24B who likewise feel that their cases should be similarly reviewed. A third group is composed of a few officers whose retirement took place as the proximate cause of proceedings which were commenced against them under the procedure provided in section 2 of the joint resolution of July 29, 1941, but who, after the proceedings have been completed against them, sought voluntary retirement in lieu of the enforced retirement by order which would otherwise have taken place. When the bill, H.R. 2744, which became Public Law 810 was

under consideration by the House Committee on Armed Services, our Association recommended that these officers have their cases reviewed together with those who were involuntarily placed in retirement by final order. It was then our recommendation that what became section 107(a) of Public Law 810—80th Congress, be appropriately amended to make it clear that the contemplated review of these cases include all who were retired as the result of proceedings against them under Public Law 190. It was our recommendation that the phrase "including those who were retired on their own application as an alternative thereto" be added after the parenthetical matter "(55 Stat.)" in that section. We believe that should have been done and now renew that recommendation. That is what is intended in lines 5 and 6 of S. 719 in the phrase "or voluntarily within one year from the approval of the joint resolution of July 29, 1941 (55 Stat. 606, Public Law 190 of 1941)."

In view of the above, our Association recommends that the purposes outlined in section 1 of S. 719 be accomplished by the enactment of appropiate legislation.

Section 2 of S. 719 has for its purpose the extension of the benefits as to retirement in the highest rank held to personnel of the Army and Air Force, regular and reserve, who served in World War I, as was extended to the same types of personnel in Title II, Public Law 810—80th Congress. This matter is covered adequately in the proposed Career Compensation Act, H. R. 5007, which was passed by the House and is now under consideration by the Senate Armed Services Committee. Assuming the enactment of that bill, the proposal contained in section 2 of S. 719, now before this Committee, would not be necessary. Our Association, however, wishes to make it clear that it favors this provision but wishes also to point out that, as suggested in this bill, it would extend these benefits only to the Army and Air Force when they should apply to personnel of the Armed Forces generally. The provisions of H. R. 5007, if enacted, will apply to all.

Section 3 of S. 719, in a proposed section 204½(a) to Public Law 810—80th Congress, would provide that an officer on the retired list will have the rank for which he is paid. The bill would apply only to the Army and Air Force officers, whereas it ought to apply to the Armed Services generally.

Between the wars, the services were reduced in numbers and opportunities for promotion were very limited. The lack of opportunity for promotion was alleviated in part by the fact that after certain periods in grade, pay was based upon the pay of the next higher rank. The stagnation of promotion was such that frequently an officer would actually perform the duties and have the responsibilities of the next higher grade without the increased rank which would have been desirable. This provision would provide that rank on the retired list would correspond to the pay actually received.

The Association recommends that this provision be enacted but should be extended to include all personnel of the Armed Services generally.

Section 3 in the proposed section 204½(b) proposes to extend to Army and Air Force officers the benefits of combat citation promotion now applicable to the Navy, Marine Corps and Coast Guard. Our Association strongly recommends that all personnel of the Armed Services should be considered on an equal basis. The proposed Career Compensation Act, H. R. 5007, has a provision which deals with combat citation promotions. However, that proposal will diminish the benefits now enjoyed by the Navy, Marine Corps and Coast Guard in the future, rather than extend them to the Army and Air Force as this bill proposes.

Our Association has consistently recommended that benefits as to combat citations should be equally applied to all branches of our Armed Services. While section 522 of the proposed Career Compensation Act, H. R. 5007, now under consideration by the Senate Armed Services Committee will, if enacted, diminish the opportunities with respect to promotions for combat citations in the future, that proposed provision will not place Army and Air Force officers now retired on the basis as to benefits which have been extended to personnel of the Navy, Marine Corps and Coast Guard under former laws.

If Congress in its wisdom considers it to the best public interest to change or diminish future benefits as a result of combat citations, it is our conviction that former laws should apply equally to all service personnel and we recommend that this be done.

NOTE: At the hearings on these bills held on 6 July 1949 by a subcommittee of the Senate Committee on Armed Services, of which Senator Kefauver was Chairman, the foregoing statement was presented together with testimony by both Admiral Hamlet and Captain Willenbucher in response to questions asked by members of the Committee and the staff. The additional testimony given was consistent with the contents of the foregoing statement.

TO AMEND THE FOURTH PARAGRAPH OF SECTION 15 OF THE PAY READJUSTMENT ACT OF 1942

Two bills have been introduced in the present Congress to amend the fourth paragraph of section 15 of the Pay Readjustment Act of 1942. S. 577, introduced by Sen. McFarland and referred to the Senate Armed Services Committee, and H.R. 3266, introduced by Rep. Anderson of California and referred to the House Armed Services Committee, both have the same purpose in view. A report has been filed by the National Military Establishment on S. 577, recommending that action be withheld until after the enactment of the Career Compensation Act of 1949, while a report to the House Armed Services Committee on H.R. 3266 stated in effect that the National Military Establishment had no comment to make.

The purpose of those bills is to add the words "heretofore or" before the word "hereafter" in the fourth paragraph of section 15 of the Pay Readjustment Act of 1942, so that officers retired prior to the effective date of that Act (1 June 1942), providing they saw service in World War I, may have the same opportunities for the computation of their retired pay as was extended by that paragraph to those retired on and subsequent to that date.

The Career Compensation Act of 1949 repealed the Pay Readjustment Act of 1942, except paragraph 4 of section 15 of the Act which is preserved. Since the Career Compensation Act of 1949 has been enacted, it is now desirable that the proposal contained in the McFarland and Anderson bills receive favorable consideration to remove the existing discrimination. It should be noted that the Career Compensation Act of 1949 has not extended the right to use 75% as a multiple in the computation of retired pay to the newly established rates. The opportunities of the 4th paragraph of section 15 of the 1942 Act extend only to the rates of pay which existed prior to the effective date of the new pay bill.

Our Association has long been interested in this subject and will continue to urge favorable consideration.

LAPEL ROSETTES

All back orders for the Association's colorful and attractive Lapel Rosettes have now been filled and a limited supply is still on hand. These rosettes, for wearing with civilian clothing, signify membership in the Retired Officers Association. As long as the present stock lasts, we will gladly mail them to members, upon request, at the nominal charge of 50¢ each.

PAYMENTS TO NAVY AND MARINE CORPS RESERVE OFFICERS FOR PERIODS IN INACTIVE STATUS PRIOR TO RETIREMENT

Sen. Smith of Maine, has introduced a bill S. 222, which has been referred to the Senate Armed Services Committee, to provide for lump sum payments equal to their active duty pay and allowances to certain retired Navy and Marine Corps reserve officers for periods in inactive status prior to retirement, during which time the question of whether or not they should be retired was under consideration. That bill was referred to on page 15 of our 2nd Quarter 1949 Bulletin.

That measure was referred to the National Military Establishment and a favorable report has been received by the Committee. However, action has not been taken by the Committee, nor is any presently scheduled.

It is assumed that the matter will be considered during the next session of Congress and, at that time, we shall recommend favorable consideration.

WORLD WAR II STATE BONUS LAWS

In the two preceding issues of the Bulletin information was furnished as to those states and territories which had or had not, up to that time, enacted legislation to provide bonuses for veterans of World War II.

A recent development in that connection was the defeat of a bonus proposal in the California legislature, thus killing all hope of any payments to veterans by the state.

Because of the rigid requirements set forth in the majority of the state bonus laws, many veterans do not qualify for the payments. Various reasons are advanced though the principal one stated is failure to meet provisions of residence in the state for six months prior to entering military service or not returning to home state after separation there-from.

Some states have denied bonus payments to so-called "professional" (career) service personnel who were on active service for as long as five years prior to 1941.

Those who consider themselves eligible for such state bonus payments as have been authorized should communicate promptly with their State Adjutant General as to eligibility or to obtain special rulings with respect to any unusual circumstances relating to individual cases.

NEW MEMBERS

During the period 1 May-31 July 1949 a total of 1,486 new memberships in the Association were registered.

To those who joined during and since that time, we extend hearty greetings and cordially invite them to become active in support of the Association's activities which are, in reality, of vital concern in relation to their interests as retired officers.

We like to feel that the ever growing expansion of our membership list is due to a widespread recognition of the proper yet vigorous manner in which the affairs of retired officers, generally, are represented.

In that connection, however, it is desired to stress the fact that the success of the Association depends largely upon the loyal and enthusiastic support of all its members and upon a general realization that our primary mission is to help each other whenever the opportunity occurs.

To attain maximum effectiveness we must maintain a constant healthy growth.

Our present membership is approximately 33% of the total number of retired officers, which is a fair representation, but by no means adequate to express the views and desires of the majority.

Accordingly, we ask that our members take notice of the vast number of eligibles who are not members and acquaint them with the fact that the Retired Officers Association exists and of its purposes and objectives.

AIR FORCE ANNIVERSARY

In line with a recent directive of the Secretary of Defense abolishing celebrations of individual service days, 18 September 1949, marking the 42nd Anniversary of the establishment of what is now the United States Air Force, will be observed only in the hearts and minds of those who have watched and helped the United States air arm grow from a fledgling corps of two planes to the mightiest air armada the world has ever seen.

From its initial beginning as a Division of the Signal Corps in 1907, the history of our Air Force comprehends the development of aircraft from the 40-mph class to those which now exceed the speed of sound.

Aviation's great contribution toward the successful conclusion of the last war stands for itself. Air power is definitely established as an integral part of our fighting forces team.

But, equally important as its offensive-defensive value, are the many humanitarian uses to which aircraft can be and are being employed. The Berlin Airlift, transporting the sick and wounded to hospitals, relief to persons and property in storm stricken areas, rescue operations and the like are only a few cases in point.

The United States Air Force, therefore, while vital to our National Defense in its primary mission of maintaining control of the air, now finds itself dedicated to the objective of keeping free the air approaches to our country in the hope that, by so doing, democracy can be preserved no matter what might be the intentions of any potential enemy, anywhere.

In this day and age, control of the air over all approaches is a primary requirement not only to the life and progress of the nation, but in the interests of cementing neighborly good-will as well. Our Air Force is performing that function in a manner truly warranting a hearty "well done."

We of the Retired Officers Association proudly pay tribute to the noble efforts and magnificent accomplishments of the Air Force, and join in the prayer that all its future landings shall be happy ones.

ADDRESSES TO RETIRED OFFICER GROUPS BY ASSOCIATION OFFICERS

On 4 June 1949 our President, Admiral Hamlet, addressed a meeting of retired officers in New London, Connecticut. Admiral Hamlet's remarks were devoted chiefly to a detailed outline of the pending pay bill and in what manner the Association is representing the interests of retired officers in behalf of that pending legislation.

On 14 June 1949 our Executive Vice President, Captain Willenbucher, addressed a meeting of the Naval Academy Association in New York City. Captain Willenbucher chose as the subject of his talk "The Retired Officers Association and its Relation to Legislation."

Both of the above meetings were well attended and aroused a highly gratifying interest in the need to support fully the type of organization our Association provides.

BOARD OF DIRECTORS MEETINGS

The quarterly Directors meeting, normally scheduled for July, was postponed until September, because of the intention expressed by many of the Board members to absent themselves from Washington at that time to escape the intense summer heat.

At the time of meeting in September, among other things, general plans and arrangements will be made for the Association's biennial convention, to be held at the Mayflower Hotel in Washington on Friday, 17 February 1950.

It is hoped that all members will bear in mind the convention date, above indicated, and that as many as possible will make every effort to attend.

For those desiring hotel reservations in Washington at that time it is suggested that they be made by individual members early in advance to be sure of obtaining accommodations.

BIENNIAL CONVENTION RESOLUTIONS

The next Biennial Convention of the Association will be held at the Mayflower Hotel in the City of Washington on Friday, 17 February 1950. The meeting will be called for 0930.

A Resolutions Committee will be appointed about 15 December 1949 to consider resolutions brought before it.

It is desirable that all resolutions be in the hands of the Resolutions Committee not later than 1 January 1950, and should be mailed to National Headquarters, 1600 20th Street N.W., Washington 9, D. C., prior to that date.

Following a final meeting of the Resolutions Committee at National Headquarters, 1000, Monday, 13 February 1950, all approved resolutions will be printed for distribution.

Printed copies of resolutions approved by the Resolutions Committee will be available at National Headquarters 48 hours before the convention and will also be available for distribution on the floor of the convention.

OPENINGS FOR RETIRED MEDICAL PERSONNEL

Vacancies exist on the Staff of the Dayton State Hospital for two psychiatrists—one as Assistant Superintendent, the other as Clinical Director.

Information available indicates that pay is adequate, food excellent, new housing and appointments in no manner politically connected.

Need also is expressed for a nurse with a teaching degree for assignment in connection with the Hospital's training program.

Any retired officer meeting the necessary qualifications and interested in applying for any of the above positions, should write to Lieutenant Colonel J. A. Mendelson, (MC), USA, Retired, Superintendent, Dayton State Hospital, Dayton 1, Ohio, for detailed particulars.

ASSOCIATION'S SCHOLARSHIP PROGRAM

As a result of the many generous voluntary contributions which have been made to the Association's Scholarship Program, sufficient funds have been accumulated so that we can now offer financial assistance, through loans, as provided by the plan to—

(1) Sons of retired officers (living or deceased) who have successfully met all requirements for appointment to the Military, Naval or Coast Guard academies, but whose economic situation renders them unable to supply the necessary money deposit on entrance.

(2) Sons or daughters of retired officers (living or deceased) desiring to enter and accepted for entrance into an accredited college or university of their choice, but unable to meet all required expenses.

(3) Sons or daughters of retired officers (living or deceased) where real need is indicated for financial aid to pursue further a college or university education then in progress.

The Association will, therefore, welcome applications to help finance the college education of worthy sons or daughters of retired officers (living or deceased) who, for economic reasons, are unable to meet all necessary costs.

In order to distribute equitably the available funds, loans will be authorized by the Board of Governors from among the most deserving applicants, based upon highest character, scholastic apptitude and need.

Loans are limited to $300, coupled with an agreement by the recipient to repay the loan to the fund as soon as he or she is able to do so after termination of attendance at the institution in connection with which the loan was made.

Applications for scholarship loans should be accompanied by full and complete information upon which the Board of Governors may act and be supported by written evidence as to scholastic ability and character references from reputable persons in the vicinity in which the applicant resides.

OBITUARIES

We pause in deep reverence and honor to the memory of the following of our members for whom taps have been sounded since 1 March, last. May their brave souls forever rest in peace—

Col. William B. Borden, (MC), USA, Ret.
Maj. Gen. Charles E. Branshaw, USA, Ret.
Col. William H. Buechner, USA, Ret.
Col. John W. Craig, USA, Ret.
Comdr. John W. Crandall, USN, Ret.
Surg. Gen. Hugh S. Cummings, USPHS, Ret.
Col. W. H. Cureton, USA, Ret.
Col. William J. Davis, USA, Ret.
Col. George S. Deaderick, USA, Ret.
Col. L. L. Deitrick, USA, Ret.
Comdr. Edwin Fisher, USN, Ret.
Col. Charles J. Ferris, USA, Ret.
Col. Avery J. French, USA, Ret.
Capt. John E. Gabrielson, USN, Ret.
WO. Henry Hobson, USA, Ret.
Ch.Nurs. Ida L. Hodge, (NC), USN, Ret.
Lt. Col. Frank Johnson, USA, Ret.
Lieut. Olav Johnson, USN, Ret.
Comdr. F. M. Kelly, USN, Ret.
Col. Daniel W. Kent, USA, Ret.
Capt. William G. Kilgore, USMC, Ret.
Maj. H. A. Kirkham, (MC), USA, Ret.
Maj. Ralph Z. Kirkpatrick, AUS, Ret.
Capt. Charles W. Latimer, USA, Ret.
WO. Ralph H. Martin, USA, Ret.
Capt. Cleveland McCauley, USN, Ret.
Brig. Gen. Robert W. Mearns, USA, Ret.
Col. John W. Meehan, (MC), USA, Ret.
Maj. Vernon L. Nash, USA, Ret.
Ens. Holger M. Nielson, USCG, Ret.
Lt. Comdr. John E. Reinburg, USCG, Ret.
Rear Adm. Thomas B. Richey, USN, Ret.
Maj. Bruno T. Scher, USA, Ret.
Col. William H. Schnackenberg, USA, Ret.
Col. George A. Skinner, (MC), USA, Ret.
Lieut. Henry Smith, USN, Ret.
Lt. Comdr. F. S. Steele, (MC), USN, Ret.
Lieut. William E. Stiles, USN, Ret.
Lieut. William B. Stork, USN, Ret.
Col. Theodore Tabbert, USA, Ret.
Comdr. Asa Van Roermund Watson, USN, Ret.
Maj. Gen. Briant H. Wells, USA, Ret.
Maj. Joseph M. White, (MC), USA, Ret.
Lt. Comdr. Milton P. Wilson, USN, Ret.
Capt. Louis A. Witney, USA, Ret.
Ch.Elec. George Wolcott, USN, Ret.

LEGAL SERVICE TO THE ARMED FORCES

Under the auspices of the American Bar Association, State Bar Association Committees on Legal Service to the Armed Forces have been established.

Legal service as may be rendered by these committees was not primarily proposed as a gratuitous service.

The basic purpose of setting up such committees was to see that all requests for legal service by servicemen were placed in the hands of reliable, competent and sympathetic counsel who will give due consideration to the serviceman's ability to pay fees, but in any event, to see that needed services are rendered.

Below listed are the representatives of the various State Bar Association Committees on Legal Service to the Armed Forces and committees and officials exercising corresponding functions:

Alabama: Committee on Legal Service to Armed Forces (Alabama State Bar), Aubrey Dominick, Chairman, Alston Building, Tuscaloosa, Alabama

Arizona: The State Bar of Arizona, Walter E. Craig, Secretary, Phoenix National Bank Building, Phoenix, Arizona

Arkansas: Bar Association of Arkansas, Carland P. Patten, Secretary, Pyramid Building, Little Rock, Arkansas

California: The State Bar of California, Jerold E. Weil, Secretary, 2100 Central Tower, 703 Market Street, San Francisco 3, California

Colorado: Legal Service Committee, Milton J. Blake, Chairman, 522 Colorado Building, Denver 2, Colorado

Connecticut: Committee on Lawyer Reference Service, Frederick J. Rundbaken, Chairman, 983 Main Street, Hartford, Connecticut

Delaware: Delaware State Bar Association, John J. Morris, President, Delaware Trust Building, Wilmington, Delaware

District of Columbia: Committee on Legal Assistance for Servicemen, Garland E. Taylor, Chairman, Barr Building, Washington, D. C.

Florida: Committee on Legal Service to the Armed Forces, C. H. Earnest, Chairman, 1101 Harvey Building, West Palm Beach, Florida

Georgia: Georgia Bar Association, Committee on Legal Aid, Mrs. Frances T. Dwyer, 203 Connally Building, Atlanta, Georgia

Idaho: Idaho State Bar, Committee on War Work, J. W. Galloway, Chairman, Idaho Building, Boise, Idaho

Illinois: Illinois State Bar Association, Committee on Public Service, Charles B. Stephens, Executive Secretary, Springfield, Illinois

Indiana: The Indiana State Bar Association, Thomas C. Batchelor, Secretary, 703 Union Title Building, Indianapolis, Indiana

Iowa: Iowa State Bar Association, Edward H. Jones, Secretary, 1101 Fleming Building, Des Moines 7, Iowa

Kansas: Committee on American Citizenship and War Work, Everett E. Steerman, Chairman, Citizens National Bank Building, Emporia, Kansas

Kentucky:

Louisiana: War Work Committee, Charles L. Stiffell, General Chairman, 1908 American Bank Building, New Orleans 12, Louisiana

Maine: Maine State Bar Association, Herbert E. Locke, Secretary, Augusta, Maine

Maryland: Maryland State Bar Association, S. Van Nort Chapman, Secretary, Mercantile Trust Building, Baltimore 2, Maryland

Massachusetts: War Work Committee, Reuben Hall, Chairman, 30 Federal Street, Boston 10, Massachusetts

Michigan: State Bar of Michigan, Milton E. Bachmann, Executive Secretary, 412 Olds Tower, Lansing 8, Michigan

Minnesota: Minnesota State Bar Association, Robert J. McGuigan, Executive Secretary, 709 New York Life Building, Minneapolis 2, Minnesota

Mississippi: Mississippi State Bar, Mrs. Lura C. Etheridge, Secretary, New Capitol Building, P. O. Box 1032, Jackson, Mississippi

Missouri: Missouri Bar, Harry S. Rooks, Executive Director, 223½ East High Street, Jefferson City, Missouri

Montana: Montana Bar Association, J. E. McKenna, Chairman, Legal Aid Committee, Lewiston, Montana

Nebraska: Nebraska State Bar Association, George H. Turner, Secretary, State House, Lincoln, Nebraska

Nevada: State Bar of Nevada, A. R. Schindler, Secretary, Box 2046, Reno, Nevada

New Hampshire: Committee on Veterans Assistance, William H. Craig, Chairman, Manchester, New Hampshire

New Jersey: New Jersey State Bar Association, Emma E. Dillon, Secretary, 722 Broad Street Bank Building, Trenton 8, New Jersey

New Mexico: State Bar of New Mexico, Herbert B. Gerhart, Secretary, Supreme Court Building, Santa Fe, New Mexico

New York: New York State Bar Association, Chester Wood, Secretary, 90 State Street, Albany, New York

North Caorlina: Legal Aid Clinic, John S. Bradway, Director, Duke University, Durham, North Carolina (Also Pennsylvania)

North Dakota: North Dakota State Bar Association, R. N. Davies, Executive Director, Grand Forks, North Dakota

Ohio: Ohio State Bar, Legal Aid Committee, Leo P. Enright, Assistant Secretary, State House Annex, Columbus 15, Ohio

Oklahoma: Oklahoma Bar Asociation, George E. Lipe, Executive Secretary, 827 American National Building, Oklahoma City, Oklahoma

Oregon: Oregon State Bar, Legal Aid Committee, Mrs. Janet W. Starkey, Supervising Attorney, County Court House, Portland 4, Oregon

Pennsylvania: Pennsylvania Bar Association, Committee on Legal Aid Work, John S. Bradway, Chairman, Duke University, Durham, North Carolina (Also North Carolina)

Rhode Island: Rhode Island Bar Association, War Work Committee, W. Louis Frost, Chairman, 1011 Turks Head Building, Providence 3, Rhode Island

South Carolina: South Carolina Bar Association, Walter S. Montieth, Secretary, 1215 Washington Street, Columbia, South Carolina

South Dakota: Veterans Assistance Committee, Raymond E. Dana, Chairman, Sioux Falls, South Dakota

Tennessee: Thomas O. H. Smith, Secretary-Treasurer, Bar Association of Tennessee, 907 American Trust Building, Nashville 3, Tennessee

Texas: State Bar of Texas, William J. Park, Secretary, 930 Littlefield Building, Austin, Texas

Utah: Utah State Bar, Leland M. Cummings, Secretary, 332 State Capitol, Salt Lake City 1, Utah

Vermont: Vermont Bar Association, H. J. Conant, Secretary, Montpelier, Vermont

Virginia: The Virginia State Bar Association, William T. Muse, Secretary, 601 North Lombardy Street, Richmond, Virginia

Washington: Washington State Bar Association, George H. Revelle, Committee Chairman, 1377 Dexter Horton Building, Seattle 4, Washington

West Virginia: War Service Committee, Charles McCamic, Chairman, 901 National Bank Bldg., Wheeling, West Virginia

Wisconsin: War Legal Service Committee, L. G. Barnes, Secretary, 324 East Wisconsin Avenue, Milwaukee, Wisconsin

Wyoming: Wyoming State Bar, George F. Guy, Armed Forces, Legal Aid Committee, Hynds Building, Cheyenne, Wyoming

Larger Local Bar Association Committees

California:
Los Angeles (Los Angeles Bar Association)
Lawyers' Reference Service, 1124 Rowan Building, 458 South Spring Street, Los Angeles 13.
San Francisco
Referral Committee, Robert M. Davis, Chairman, Mills Tower, San Francisco.

Georgia:
Atlanta (Atlanta Bar Association)
Atlanta Bar Referral Committee, c/o Atlanta Legal Aid Society, Connally Building, Atlanta.

Illinois:
Chicago (The Chicago Bar Association)
Lawyer Reference Plan, Clarence P. Denning, Executive Secretary, Chicago Bar Association, 29 South La Salle Street, Chicago 3.

Kentucky:
Louisville (Louisville Bar Association)
Legal Services Committee, Co-Chairmen: David G. Cates, Kentucky Home Life Building, Louisville, and Charles R. Huff, Republic Building, Louisville.

Michigan:
Detroit (Detroit Bar Association)
Consultant Service Committee, Mrs. Stella Demchak, Executive Secretary, 577 Penobscot Building, Detroit 26.

Missouri:
Kansas City (Kansas City Bar Association)
G. I. Welfare Committee, Elmo B. Hunter, Chairman, 1516 Federal Reserve Bank Building, Kansas City 6.
St. Louis (Bar Association of St. Louis)
Lawyers' Reference Committee, Walter L. Metcalfe, Chairman, 506 Olive Street, St. Louis 1.

New York:
New York City
Legal Referral Service, Association of the Bar of the City of New York, 42 West 44th Street, New York 18

Pennsylvania:
Philadelphia (Philadelphia Bar Association)
Legal Referral Service, W. Clark Hanna, Referral Attorney, 680 City Hall, Philadelphia 7.
Pittsburgh (Allegheny County Bar Association)
Lawyers Reference Service Committee, Charles C. Arensberg, Chairman, 1404 First National Building, Pittsburgh.

Tennessee:
Memphis (Memphis and Shelby County Bar Association)
Committee on Legal Aid and War Work, Honorable William Gerber, Chairman, Criminal Courts Building, 2nd and Washington Streets, Memphis.

Texas:
Dallas (Bar Association of Dallas)
Lawyers' Referral Service, Miss Eula Cates, Executive Secretary, Court House, Dallas.

Wisconsin:
Milwaukee (Milwaukee Bar Association)
Reference Committee, L. G. Barnes, Secretary, Milwaukee Bar Association, Milwaukee 2.

FINANCIAL STATEMENT AS OF 31 JULY 1949

Cash in Bank (Hamilton National Bank), 31 July 1949	$ 5,908.37
Petty Cash on Hand	25.00
Total Available Cash	5,933.37
U. C. GOVERNMENT BONDS	27,220.00
Accrued interest on bonds	22.00
Total Available Fiscal Assets	33,175.37
Book Value of Office Equipment	5,212.53
Worth as of 31 July 1949	$38,387.90

MEMBERSHIP BREAKDOWN AS OF 31 JULY 1949

Army	7,026
Navy	5,324
Air Force	1,440
Marine Corps	751
Coast Guard	966
Coast & Geodetic Survey	46
Public Health Service	45
Total	15,598
Life Members (Non-dues-paying status)	985
Life Members (Dues-paying-status)	1,129
Members	7,563
Reserve Members	5,921
Total	15,598

ELIGIBILITY REQUIREMENTS FOR MEMBERSHIP

Membership in the Retired Officers Association shall be limited to men and women who are retired commissioned officers, warrant officers and nurses of the regular Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and those officers of the Public Health Service who are on permanent waiting orders, and of the Reserve components of the services mentioned.

Membership shall be of four classes, viz:

(a) LIFE MEMBERS—Those who became such prior to 15 September 1945, or became such pursuant to (b).

(b) ASSOCIATE MEMBERS—Those who joined the Association *prior* to 15 September 1945, and who will become LIFE MEMBERS upon full payment of $30.00.

(c) MEMBERS—Those of the regular services joining on or after 15 September 1945.

(d) RESERVE MEMBERS—Those of the Reserve components joining on or after 26 September 1947.

LIFE MEMBERS, ASSOCIATE MEMBERS and MEMBERS shall be entitled to vote upon any matter properly submitted to the membership for vote.

To RETIRED OFFICERS ASSOCIATION,
1600 Twentieth St., N. W., Washington 9, D. C.

Date _____

Gentlemen:—

You may enroll me as a member of the Retired Officers Association. Inclosed is check for $5.00.

Entrance fee ____ $1.00
Annual dues ____ 4.00
$5.00

Fifty cents of which is for subscription to Association Bulletin.

Name _____
(Please Print)

Rank and Service _____

Mailing Address _____

City _____ Zone ____ State _____

COMMENTS FROM MEMBERS

1st Lieut. JHC, USMCR (Ret.)—In view of the efforts being made by the leaders in the Association to obtain deserved benefits for the membership, I consider it a privilege to participate actively in its work.

Capt. MFS, ANC (Ret.)—I want to congratulate the Association for the wonderful work it is doing. All my friends now belong and we are grateful for the way you are helping us.

Lieut. JHB, USN (Ret.)—Am very much pleased with the Association and its objectives. The need for a really effective membership is apparent. Will make every effort to sign up all my old shipmates.

Col. VL, AUS (Ret.)—I have read with interest and great appreciation the published statements of the Association. In my opinion the subject of retirement for physical disability was presented in a highly commendable, intelligent and comprehensive manner. Such fine action deserves the wholehearted support of every retired officer whether regular or reserve.

Capt. PWB, USAF (Ret.)—I truly appreciate the mighty efforts of our Association regarding the pay bill and retirement policies and, in token thereof, it gives me much pleasure to make this small contribution to the Association's Scholarship Fund. Wish I could afford more.

WO, NB, USA (Ret.)—Would it be in order to ask each member to give at least $1.00 per year, with membership dues, for the Scholarship Fund? None would miss a dollar. Here is mine. When a few thousand combine on such a worthy venture, they can really accomplish something.

Ens. RMC, NC, USN (Ret.)—Wish to say I am enjoying membership in the Association. It has been a recent source of needed identification. Also find the Bulletins very interesting and eagerly look forward to each issue.

Brig. Gen. RLP, USMC (Ret.)—Congratulations upon the activities and prosecution of programs during the past year. The dissemination of information has been most fully covered.

Comdr. HSH, USCG (Ret.)—I take this occasion to applaud the progressiveness and competency of the Association management.

Col. GBC, USA (Ret.)—The 3rd Quarter Bulletin received and not without interest. The excellent work done on the pay bill alone justifies the existence of the Association and membership therein.

Members are urged to advise the Association of any change in their mailing address. This insures prompt delivery of the Bulletin and immediate contact in matters of interest and importance. In so reporting, please give old and new addresses.

HAVE YOU?

Has a thrill of pride possessed you?
Have you felt your pulses run?
Has a weaker brother blessed you
For some good that you have done?
Have you seen eyes start to glisten,
That were sad before you came?
If you haven't, stop and listen—
You have missed life's finest gain.

STATEMENT OF THE OWNERSHIP, MANAGEMENT, CIRCULATION, ETC., REQUIRED BY THE ACT OF CONGRESS OF AUGUST 24, 1912, AS AMENDED BY THE ACTS MARCH 3, 1933, AND JULY 2, 1946 (39 U.S.C. 233)

Of Retired Officers Association Bulletin, published Quarterly, at Washington, District of Columbia, for the year ending Oct. 1, 1949, Washington, District of Columbia.

1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Retitred Officers Association, Inc., 1600 20th St., N. W., Washington 9, D. C. Editor, George M. Bailey, 1600 20th Street N. W., Washington 9, D. C.

2. That the owner is: Retired Officers Association, Incorporated, 1600 20th Street N. W., Washington 9, D. C.; Harry G. Hamlet, President, 6410 Beechwood Drive, Chevy Chase 15, Md.; Louis McCarty Little, 1st Vice President, 3010 O Street N. W., Washington 7, D. C.; Walter C. Baker, 2nd Vice President, 3133 Connecticut Avenue N. W., Washington 8, D. C.; Charles W. Cairnes. 3rd Vice President, Ontario Apartments, 18th Street and Ontario Road, Washington 9, D. C.; Franz O. Willenbucher, Executive Vice President and Legal Counsel, 7102 Overhill Road, Bethesda 14, Md.; Donald D. Davis, Secretary-Treasurer, 10405 Huntley Ave., Silver Spring, Md.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for wrom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the twelve months preceding the date shown above is approximately 16,000.

GEORGE M. BAILEY, Editor

Sworn to and subscribed before me this 27th day of July 1949.

BERTIE E. EARP

S-E-A-L (My commission expires 14 June 1952)

RETIRED OFFICERS ASSOCIATION BULLETIN
1600 Twentieth Street, N.W.
Washington 9, D. C.

Entered as second class matter, May 2, 1945, at the Post Office at Washington, D. C., under the Act of March 3, 1879.

Lt. Louie L. Lokey, SC, USNR At.,